F.O.
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UNTIL
1983

98519

SUPPLIED
FOR THE
PUBLIC SERVICE

1952

E

PALESTINE

E E 18210/22

FROM Mr Coulson, United Kingdom Delegation, New York.

No. 1077/34/527

Dated 6th

Received in Registry— 9th } May.

REFERENCES

EE 18210/21

98519

(Print)

(How disposed of)

Dft) Mr Coulson, U.K. Del. New York from Mr Piris Gordon. 20 May

Dft) Sir Henry Knight, 20 May Beirut, from Mr Evans.

(Action completed)	(Index)
[illegible]	[illegible] 3/6

Compensation.

Encloses copy of Mr. Berncastle's instructions, together with a copy of the Palestine Compensation Commission's report to the Secretary General.

(MINUTES)

Please see -/20 & -/21 (incl. my minute on -20).

Mr Coulson has kept us well informed & should I think be thanked. The results are generally satisfactory.

Copies of the letters & enclosures in this paper & in -/21 & -/20 should go to Sir H. Knight at Beirut.

Mr Piris Gordon [illegible] 13/5

[illegible] 22/5

37799

FE 18210/22

UNITED KINGDOM DELEGATION

to the UNITED NATIONS,

NEW YORK.1.

RESTRICTED
No. 1077/34/52P

6th May, 1952.

Dear Wardrop. FE 18210/21

In my letter ~~84~~ 1824/18/52P of 1st May I said I would try to let you have a copy of Berncastle's instructions. I now enclose a copy of these together with a copy of the Commission's report to the Secretary General, which the French Delegation have been good enough to send me.

2. Berncastle has already left here and you may well have seen him by the time you receive this letter. I imagine there will be no further activity here for some time.

Yours sincerely

J. E. Coulson

(J. E. Coulson)

J. C. Wardrop Esq.,
Eastern Department,
Foreign Office,
S.W.1.

RECEIVED IN C.B.
9 - MAY 1952
SENT TO DEPT.
10/5.

COPY

30th April, 1952.

UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

Eleventh Progress Report to the Secretary-General of the United Nations for the period from 19 November to 30 April 1952

1.- On 29 November 1951, the Conciliation Commission for Palestine submitted a progress report to the Secretary-General of the United Nations in which it gave an account of its activities during the period from 23 January to 19 November 1951. As a result of the consideration of the report by the General Assembly, during its sixth regular session, resolution 512 (VI) was adopted by forty eight votes on 26th January 1952. In that resolution, the General Assembly recalled its previous resolutions on the Palestine problem but went on to state that it considered that the Governments concerned had the primary responsibility for reaching a settlement and to that end to make full use of United Nations facilities, and it expressed the opinion that the Conciliation Commission for Palestine should continue its efforts to secure the implementation of the resolution of the General Assembly and accordingly should be available to the parties to assist them in reaching agreement on outstanding questions.

2.- As a result of an exchange of views between the members of the Commission, which took place on 28 January, with regard to the functioning and future activities of the Conciliation Commission for Palestine arising out of the resolution of 26 January, it was decided that the Commission would hold its next formal meeting at United Nations Headquarters in New York at a date to be fixed later for the purpose of making plans concerning its activities in New York and Jerusalem during the coming year. The decision was communicated to the Secretary General in a letter dated 30 January 1952.

3.- The Commission accordingly held a series of formal meetings at United Nations Headquarters, beginning on 21 April 1952. The

The Commission decided to address a letter to Dr. Pablo de Azcarate, its departing Principal Secretary, in which the members of the Commission would express their appreciation on behalf of the Governments for the distinguished services rendered by him in his post of Principal Secretary. A letter of commendation was similarly addressed to Mr. Holger Andersen for his services as Director of the Commission's Refugee Office.

4.- In the course of the first meeting a general discussion of the questions of compensation and blocked accounts took place.

5. - At the same time the Conciliation Commission decided to continue holding its meetings at United Nations Headquarters in New York, where representation of the States members of the Commission would be maintained by their respective permanent delegations to the United Nations. The decision was communicated to the seven Arab Governments and to the Government of Israel by a letter dated 28 April 1952 (see annex). Copies of the letter were also sent to the Director of the United Nations Relief and Works Agency for Palestine, the Chairman of its Advisory Commission, and to the Chief of Staff of the United Nations Truce Supervision Organisation for their information. In announcing its decision the Conciliation Commission pointed out that it had kept in mind the resolution adopted by the General Assembly on 26 January 1952 and the emphasis therein, both on the responsibility of the Governments concerned to reach a settlement of their outstanding differences, and on the obligation of the Conciliation Commission to be available to the parties to assist them in reaching agreement. The Commission was satisfied that it could at present best discharge this obligation at United Nations Headquarters where it was able to convene without delay and where the Governments concerned could readily made (?) Commission did not overlook the possibility of meetings at its Jerusalem Headquarters and elsewhere/and when there should be a recognized need for such meetings.

6. - In connection with the question of blocked accounts the Commission decided to resume discussions with the delegation of Israel in order to ascertain the present position of its

/Government

Government on the problem. The Commission will consider, in the light of these discussions, what further steps are to be taken towards the release of blocked accounts.

7. - Since assuming its meetings in New York the Conciliation Commission has considered the reaffirmation by the delegation of Israel at the Paris Conference on 14 November 1951, that Israel was ready to contribute to the settlement of the question of compensation for Arab property abandoned in its territory; and the delegation's suggestion that concrete discussions on the question of evaluation should be held immediately with the Commission or with any other United Nations body designated for the purpose. At its meeting held on 28 April 1952 the Commission decided to ask the land specialist of its Refugee Office to undertake such discussions on a technical level and requested the Secretary General to instruct him to proceed as soon as possible to Palestine, there to make contact with the competent Israeli authorities in order to ascertain the views of the Government of Israel on the form which the discussions should take. The land specialist was instructed, on reaching agreement as to the form of the discussions, to take part in the discussions themselves and, for that purpose, was authorized to seek such technical advice and assistance, including Arab and Israeli specialists, as he might consider necessary. He was required to keep in close touch with other organs of the United Nations in the area, and was requested to make periodic reports to the Commission in New York on the progress of his activities.

COPY

29 April 1952

Dear Mr. Berncastle,

Since resuming its meetings in New York the Conciliation Commission has been considering the reaffirmation by the delegation of Israel at the Paris Conferance on 14 November 1951 that Israel was ready to contribute to the settlement of the question of compensation for Arab property abandoned in its territory; and the delegation's suggestion that concrete discussions on the question of evaluation should be held immediately with the Commission or with any other United Nations body designated for the purpose.

At its meeting held on 28 April 1952 the Commission resolved to instruct you to undertake such discussions in your capacity of Land Specialist of the Commission's Refugee Office and has requested the Secretary General to authorize you to proceed to Palestine to make contact with the competent Israeli authorities as soon as may be practicable.

You will hear the views of these authorities on the form which such discussions should take and represent the views of the Commission which are substantially those set out in working paper A/AC.25/W.78 of 24 April 1952 as qualified by subsequent discussion in the meetings of the Commission at which you were present. In particular the Commission considers that such discussions should take place on a technical level. On reaching agreement as to the form of the discussions, you will take part in the discussions themselves and, for this purpose, you are authorized to seek such technical advice and assistance, including Arab and Israeli sepcialists, as you consider necessary.

You will make periodic reports to the Commission in New York on the progress of your discussions.

At the same time you will give further consideration to the question of the individual assessment of the value of Arab

/properties

properties abandoned in Israel territory and, in particular, to the opportune time for commencing such work; and will report the results of your enquiry to the Commission.

Yours sincerely,

Claude de Boisanger

Chairman,
Conciliation Commission for
Palestine.

+OC

Registry
No.

Top Secret.
Secret.
Confidential.
Restricted.
Open.

Draft.

Sir Henry Knight

from

Mr. T.E. Evans

We have ~~now~~ now obtained a lot more information about the doings of the Palestine Conciliation Commission since I last wrote to you.

As you will see from the enclosed copies of correspondance with our Delegation in New York we have got most of what we wanted and there seems to be no reason now why the Refugee Office should not get on with the job.

Enclosures

copies available on /2

Mr Coulson's letter to Mr Wardrop of 6 May with enclosures. on — /22

Mr Coulson's letter to Wardrop ~~with~~ of 28 April Enclosures — /20 — available

Photo 20/5

Mr Coulson's letter to Coulson. on — /21

Christopher Wardrop

NOTHING TO BE WRITTEN IN THIS MARGIN.

(12733) 7/51 D.L.

(EE 18210/22) OUTFILE FOREIGN OFFICE, S.W.1.

20th May, 1952.

Dear Sir Henry.

We have now obtained a lot more information about the doings of the Palestine Commission since I last wrote to you.

--- As you will see from the enclosed copies of correspondence with our Delegation in New York we have got most of what we wanted and there seems to be no reason now why the Refugee Office should not get on with the job.

Yours ever

(T. E. Evans)

Sir Henry Knight, K.C.I.E., C.S.I.,

Beirut.

Registry
No. EE 18210/22

Top Secret.
Secret.
Confidential.
Restricted.
Open.

Draft.

Mr J. E. Coulson
UKDEL.
from
Mr Pirie-Gordon.

RECEIVED IN DIVISION
16 MAY 1952
SENT TO TYPE
DESPATCHED

+OC
+under
20/1
20/3

In Wardrop's absence on leave I write to thank you for taking so much trouble to keep us so well informed about the doings of the Palestine Conciliation Commission. ~~I think~~ the ~~outcome of the~~

The outcome of the meetings is really more satisfactory than we could have hoped and ~~I write~~ we are most grateful to you for all your efforts.

P.G.

NOTHING TO BE WRITTEN IN THIS MARGIN.

(12733) 7/51 D.L.

OUTFILE

(EE 18210/22)

FOREIGN OFFICE, S.W.1.

20th May, 1952.

Dear Coulson

In Wardrop's absence on leave I write to thank you for taking so much trouble to keep us so well informed about the doings of the Palestine Conciliation Commission.

The outcome of the meetings is really more satisfactory than we could have hoped and we are most grateful to you for all your efforts.

Yours sincerely

(C. M. Pirie-Gordon)

J. E. Coulson, Esq.,
United Kingdom Delegation,
New York.

UNITED NATIONS

GENERAL ASSEMBLY

GENERAL

A/2121
2 May 1952

ORIGINAL: ENGLISH

UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

ELEVENTH PROGRESS REPORT

(for the period from 19 November 1951 to 30 April 1952)

Note by the Secretary-General: The Secretary-General had the honour to communicate to the Members of the United Nations, in accordance with the provisions of paragraph 6 of General Assembly resolution 512 (VI) of 26 January 1952, the eleventh progress report of the United Nations Conciliation Commission for Palestine.

1. On 29 November 1951, the Conciliation Commission for Palestine submitted a progress report to the Secretary-General in which it gave an account of its activities during the period from 23 January to 19 November 1951.[1/] As a result of the consideration of the report by the General Assembly, during its sixth regular session, Resolution 512 (VI) was adopted on 26 January 1952. In that resolution, the General Assembly recalled its previous resolutions on the Palestine problem but went on to state that it considered that the governments concerned had the primary responsibility for reaching a settlement of their outstanding differences. It urged those governments to seek agreement and to that end to make full use of United Nations facilities, and it expressed the opinion that the Conciliation Commission for Palestine should continue its efforts to secure the implementation of the resolutions of the General Assembly on Palestine and accordingly should be available to the parties to assist them in reaching agreement on outstanding questions.

2. As a result of an exchange of views between the members of the Conciliation Commission for Palestine, which took place on 28 January 1952, with regard to the functioning and future activities of the Commission arising out of the resolution of 26 January, it was decided that the Commission would

1/ A/1985, see Official Records of the General Assembly, Sixth Session, Supplement No. 18.

hold its next formal meeting at United Nations Headquarters in New York, at a date to be fixed later, for the purpose of making plans concerning its activities in New York and Jerusalem during the year. The decision was communicated to the Secretary-General in a letter dated 30 January.

3. The Commission accordingly held a series of formal meetings at United Nations Headquarters, beginning on 21 April 1952. The Commission decided to address a letter to Dr. Pablo de Azcarate, its departing Principal Secretary, in which the members of the Commission would express appreciation on behalf of their governments for the distinguished services rendered by him in his post of Principal Secretary. A letter of commendation would similarly be addressed to Mr. Holger Andersen for his services as Director of the Commission's Refugee Office.

4. In the course of the first meeting a general discussion on the questions of compensation and blocked accounts took place.

5. At the same meeting the Conciliation Commission decided to continue holding its meetings at Headquarters in New York, where representation of the States members of the Commission would be maintained by their respective permanent delegations to the United Nations. The decision was communicated to the seven Arab Governments and to the Government of Israel by a letter dated 28 April 1952 (see annex). Copies of the letter were also sent for information to the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, the Chairman of its Advisory Commission, and to the Chief of Staff of the United Nations Truce Supervision Organization. In announcing its decision, the Conciliation Commission pointed out that it had kept in mind the resolution adopted by the General Assembly on 26 January 1952 and the emphasis therein, both on the responsibility of the governments concerned to reach a settlement of their outstanding differences, and on the obligation of the Conciliation Commission to be available to the parties to assist them in reaching agreement. The Commission was satisfied that it could at present best discharge this obligation at United Nations Headquarters where it was able to convene without delay and where the governments concerned could readily make full use of United Nations facilities as the resolution urged them to do. The Commission did not overlook the possibility of meeting at its Jerusalem headquarters and elsewhere if and when there should be a recognized need for such meetings.

/6. In

6. In connexion with the question of blocked accounts, the Commission decided to resume discussions with the delegation of Israel in order to ascertain the present position of its Government on the problem. The Commission will consider, in the light of these discussions, what further steps are to be taken towards the release of blocked accounts.

7. Since resuming its meetings in New York the Conciliation Commission has considered the reaffirmation by the delegation of Israel at the Paris conference on 14 November 1951 that Israel was ready to contribute to the settlement of the question of compensation for Arab property abandoned in its territory; it has also considered the delegation's suggestion that concrete discussions on the question of evaluation should be held immediately with the Commission or with any other United Nations body designated for the purpose. At a meeting held on 28 April 1952, the Commission decided to ask the land specialist of its Refugee Office to undertake such discussions on a technical level and requested the Secretary-General to instruct him to proceed as soon as possible to Palestine, there to make contact with the competent Israel authorities in order to ascertain the views of the Government of Israel on the form which the discussions should take. The land specialist was instructed, on reaching agreement as to the form of the discussions, to take part in the discussions themselves and, for that purpose, was authorized to seek such technical advice and assistance, including Arab and Israel specialists, as he might consider necessary. He was required to keep in close touch with other organs of the United Nations in the area, and was requested to make periodic reports to the Commission in New York on the progress of his activities.

A N N E X

Letter from the Chairman of the Conciliation Commission for Palestine regarding the place of future meetings of the Commission

New York, 28 April 1952.

I have the honour to inform you that the first meeting of the Conciliation Commission for Palestine for the current year was held on 21 April, in New York, at United Nations Headquarters.

At this meeting it was decided that the Conciliation Commission would continue to meet at United Nations Headquarters in New York, where representation of the States members of the Commission will be maintained by their respective permanent delegations to the United Nations.

The Conciliation Commission has kept in mind the resolution adopted by the General Assembly on 26 January 1952 and the emphasis therein, both on the responsibility of the governments concerned to reach a settlement of their outstanding differences, and on the obligation of the Conciliation Commission to be avilable to the parties to assist them in reaching agreement. The Commission is satisfied that it can now best discharge this obligation at United Nations Headquarters where it can convene without delay and where the governments concerned can readily make full use of United Nations facilities as the resolution urges them to do.

The Commission does not overlook the possibility of meetings at its Jerusalem headquarters and elsewhere if and when there should be a recognized need for such meetings.

(signed) Claude de Boisanger

Chairman,
Conciliation Commission for
Palestine

E

EASTERN DEPARTMENT

PALESTINE

E E18210/23

1952

Sir Oliver Franks,
Washington.

No 491 (saving)

D 10th
R 13th } May.

German reparations.

Expresses the view that a reply should be returned to the Syrian & Iraqi notes.

Last Paper.

EE18210/19

References.

EE18210/17.

(Print.)

(How disposed of.)

HO 29741

(Minutes.)

See blue minute of 13th May at —/25.

15/5.

(Action completed.)

3/6

(Index.)

14/6

Next Paper.

30471 F.O.P.

E

No copies of this document may be made or communicated to any pe[illegible]n not on the authorised distribution without permission.

EN CLAIR (By Bag)

INWARD SAVING TELEGRAM

EE 18210/23

FROM WASHINGTON TO FOREIGN OFFICE

No.491 Saving
10th May, 1952.

D. 4.00 p.m. 10th May, 1952. C.B.

ADVANCE COPY

CONFIDENTIAL

Dpt. Dist.

Addressed to Foreign Office telegram No. 491 Saving of 10th May

Repeated for information Saving to:

Paris	No. 177	Damascus	No. 28
Amman	No. 24	Jedda	No. 20
Bagdad	No. 26	Tel Aviv	No. 23
Beirut	No. 27	Memin (Fayid)	No. 85
Cairo	No. 37	New York (UKDEL)	No. 97

Bagdad Chancery letter No. 1502/13/52 of April 24th to Eastern Department. Compensation to be paid to Israel by Germany.

EE 18210/17

State Department say they concur in your view (as reported to them by the United States Embassy in London) that a reply should be returned to the Syrian and Iraqi notes.

2. In support of this view, they consider:

a) that it is not customary to ignore a communication from a friendly government;

b) that the reply to the Lebanese note was not unfavourably received;

c) the Lebanese even went so far as to express pleasure that the United States should be neutral in a matter affecting Israel.

3. The State Department have instructed the United States Embassy in Paris to put these considerations to the Quai d'Orsay and express the hope that the French would be prepared to join in sending a reply. The State Department official added that they were not as pessimistic as the French about the possible outcome of the Israeli-German talks. Moreover, they gathered there were two schools of thought within the Quai d'Orsay and that the French might easily come around to the same view as the Americans and ourselves, especially if we felt inclined to back this view in Paris.

4. Meanwhile the United States representatives in Damascus and Bagdad have been instructed to keep in touch with their British and French colleagues and in any case to reply within one week to the Syrian and Iraqi Notes.

FRANKS

18 MAY 1952

1952

E

EASTERN DEPARTMENT

PALESTINE

E E1821024.

FROM Mr. C.W. Furlonge (Amman) to Mr. Eden

No. 52 (18203/11)

Dated 22 April

Received in Registry— 3 - MAY 1952

Sets out the position of H.M. Govt with regard to the payment of reparations to Israel by the German Federal Republic

Copy of a letter sent to the Prime Minister of Jordan

References

MINUTES

W. Wilson 5.V.

Eastern Dept.

APE Assistant

14.5.52

(Print)

(How disposed of)

(Action completed)	(Index)
20/5.	

40429

Despatch No.52 ✓

No. 18203/11

EE 18210/24

CE

The British Minister at Amman presents his compliments to Secretary of State for F.A. and has the honour to transmit to him the under-mentioned documents.

CE/W/14924/27

British Legation,
Amman.

UP

22nd April, 1952.

Reference to previous correspondence: F.O. Des. No.31 to Beirut.

UP 132/3

KN 2/39

DESCRIPTION OF ENCLOSURE

Name and Date	Subject
Copy of letter to Jordan Prime Minister from H.M. Minister, dated 16th April 1952.	Reparation to Israel from the German Federal Republic.

Pleas.

3479A 40496 (8)

RECEIVED IN C.B.
2 MAY 1952
DEPT.

COPY

British Legation,
Amman.

16th April 1952.

Your Excellency,

I have the honour to refer to Your Excellency's letter No. 70/52/2138 of the 4th of March, and upon instructions from Her Majesty's Secretary of State, to state the position of Her Majesty's Government with regard to the payment of reparations to Israel by the German Federal Republic.

2. The position of the Allies in regard to their wartime claims against Germany is based on agreements concluded between them after the end of hostilities, namely the Potsdam protocol and the Paris Agreement on Reparations. Israel was not a party to either of these. Pending a definitive settlement, Her Majesty's Government are precluded by the Paris Agreement from asserting either on their own behalf or on behalf of other States, any further reparation demands on Germany.

3. As the Jordan Government will be aware, however, the German Federal Government themselves took the inititive in offering to negotiate a settlement with the State of Israel and World Jewry of the latter's claim for the indemnification of Jewish victims of the Nazi persecution. The matter has thus become one for a direct negotiation between the Israel Government and the German Federal Government respectively; and in the circumstances Her Majesty's Government consider that it would be inappropriate for them to intervene.

Please accept, Your Excellency,

The assurance of my highest consideration,

(G.W.Furlonge)

His Excellency,
Tewfiq Pasha Abul Huda, C.B.E.,
Minister for Foreign Affairs,
Hashemite Kingdom of the Jordan,
Amman.

1952

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EASTERN DEPARTMENT

PALESTINE

E E 18210/25

FROM F.O. Minute, Mr. Wardrop.

No. —

Dated 12th

Received in Registry— 14th } May.

German Compensation to Jews.

Discusses the question of replying to notes from the Syrians, the Lebanese, the Iraqis & the Jordanians.

REFERENCES

EE 18210/17
16
15
13
8
6
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(MINUTES)

14.5.52.

Now see further blue minute of 15th May.

15/5.

(Print)

(How disposed of)

Tel/ Damascus 213
RPD Bagdad 352
Amman 197
Beirut 71(S) Jedda 54(S)
W. Ven 2111 (S) Fayid 294 (S)
Cairo 155 (S) Paris 1633.
Tel Aviv 56(S) N.Yk. 300(S)
13 May
Tel/ Amman 198
RPD Bagdad 72(S) Beirut 72(S)
Cairo 156(S) Damascus 39(S)
Jedda 55(S) Paris 1634(S)
W. Ven 2112(S) Tel Aviv 57(S)
B.M.E.O. Fayid 295(S), N.Yk. 301(S)
13 May

(Action completed)	(Index)
3/6	4/6

37799

Enter

EE 18210/25

GERMAN COMPENSATION TO JEWS

Over two months ago some of the Arab Governments made representations to us, the Americans and the French, claiming that the Arab refugees should benefit from whatever compensation might be paid by the German Federal Republic to Israel. Notes were received from the Syrians (see Damascus Despatch No. 43 of the 4th March at EE 18210/8), the Lebanese (see Beirut telegram No. 134 of the 4th March at EE 18210/5) and the Iraqis, (Mr. Bromley's letter of the 24th April at EE 18210/17).

Flag A B C

2. We were also approached by the Jordanians (see Amman telegram No. 86 of the 5th March at EE 18210/6) but their representations seem~~ed~~ to have differed somewhat from those of the others in the following respects:-

D

(a) they expressed support of the Syrian approach instead of speaking in their own name; and

(b) there is no evidence that they made similar approaches to the Americans and the French.

3. The Yemeni Minister spoke on this subject to Sir James Bowker on the 16th April (see EE 18210/15) but his Government do not seem to have put anything in writing.

E

4. There is no indication of any representation from the Egyptians or the Saudi Arabians.

5. Our instructions on how to reply were contained in our Despatch to Damascus No. 31 of the 22nd March, (EE 18210/8). Her Majesty's Minister at Beirut duly carried these out (see his Despatch No. 79 of the 7th April at EE 18210/13). None of the other posts seem to have done so, and Her Majesty's representatives at Damascus (see his telegram No. 6 Saving of the 21st April at EE 18210/16) and Bagdad (see Mr. Bromley's letter of the 24th April at EE 18210/17) have stated further considerations in view of the fact that the French have shown an unwillingness to reply at all.

F G H C

6. On Sir James Bowker's instructions I asked Mr. Palmer of the United States Embassy how his Government were proposing to act, adding that we had a marked preference for going ahead and replying to these communications whether the French joined us or not. It seemed to us that Notes ought to be answered as a matter of principle and that as action had already been taken in Beirut it would look odd if our representatives in the other capitals concerned did not follow suit. Mr. Palmer has now replied that the State Department agree~~d~~ with us but are making one further attempt to bring the French into line. The United States

/representatives

RECEIVED IN C.O.
14 MAY 1952
SENT TO DEPT.
16/5

representatives at Damascus and Bagdad have been instructed to wait until the 16th May and then to reply to the Governments to which they are acredited whether the French come in or not.

7. Repeated attempts to get the French Embassy to say what the French Government's final attitude is going to be have so far proved unavailing.

8. In the circumstances I now recommend that we should instruct Her Majesty's representatives at Bagdad and Damascus to reply, co-ordinating their action with that of their United States colleagues. As regards Her Majesty's Minister at Amman, we can perhaps, in view of the slight difference of approach there, leave it to his discretion whether or not to take any action. As to Her Majesty's representatives at Cairo and Jedda, it should be enough to repeat to them the instructions we are sending to the other posts: they can then act on them if and when they receive any communications from the Egyptian and Saudi Governments. When these instructions have gone off Sir James Bowker may care to speak again to the Yemeni Minister.

9. I submit draft telegrams.

James C Wardrop.

J.C. Wardrop.
12th May, 1952.

I don't much like the "ultimatum" attitude of the Americans. From our point of view it does not matter a scrap whether we reply this week or next. The French hesitations may well be due to consideration of the timing of a reply to the Syrians and not merely to the fact that the reply will be unpalatable. HMRR at Damascus and

and Bagdad may also, by the same token, prefer not to be tied to a particular date – especially as Montagu-Black who has the British Council problem on his hands. I therefore consider that the instructions to Damascus & Bagdad should be less categoric. I agree as regards Amman, and as regards the Yemeni Minister.

Incidentally Mr. Sanchez of the French Embassy told me last night that it was almost certain that the French representatives would now be instructed to reply. He seemed very impressed by the reluctance of U.S.S.R. to act without their French & U.S. colleagues.

Sir

Nothing to be Written in this Margin.

Minutes.

Sir J. Bowker

Adm. Ross
13/5

I agree with
Mr. Ross.

R.J.B.
13/5

Tels sent.

13/5.

Nothing to be Written in this Margin.

CYPHER

Registry No. EE18210/25. [Enter with blue minute of 12 May]

F.O.,

(Date) 13/5/52

~~Top Secret.~~
~~Secret.~~
Confidential.
~~Restricted.~~
~~Open.~~

Despatched 9-53P M.

ROUTINE with Priority

Draft.

Telegram to :—
1) DAMASCUS 213
2) No BAGDAD 352

No.

(Date) May 13

Repeat to :—
AMMAN 197.
and Saving to
BEIRUT 71 SAV.
CAIRO 155 SAV.
JEDDA 54 SAV.
PARIS 1633 SAV.
WASHINGTON 2111 SAV.
TEL AVIV 56 SAV.
BMEO (Fayid) 294 SAV.
U.K. Delegation New York 300 SAV.

~~En Clair.~~
~~Code.~~
Cypher.

RECEIVED IN C.B. 14 MAY 1952 SENT TO DEPT.

Distribution :—
E. Dept.
M.E.S.
German General Dept.

6.25P 13/5/52

James C Wardrop 12/5.

[Security classification —if any] CONFIDENTIAL

Addressed to DAMASCUS

telegram No. 213 (date) 13/5 and BAGDAD

repeated for information to AMMAN and Saving to BEIRUT, CAIRO, JEDDA, PARIS, WASHINGTON, TEL AVIV, BMEO (Fayid) and U.K. Delegation NEW YORK.

Damascus telegram No 6 Saving [of 21st April: German compensation for Jews] and Bagdad letter 1502/13/52 of 24th April.

We still feel that the communication from the Government to which you are accredited should be answered, the more so since this has already been done at Beirut.

2. United States ~~Government~~ Embassy say that United States Government agree and have instructed your U.S. colleague accordingly. He is, however, to defer action till 16th May pending one further attempt to bring the French into line.

NOTHING TO BE WRITTEN IN THIS MARGIN.

(36302) Wt.21357/165 75,000 8/48 A.&E.W.Ltd. Gp.685

3.

3. Unless you see strong objection from the local point of view (in which case you ~~shd~~ would doubtless & ~~Please prepare written~~ ask ~~U.S.~~ your U.S. colleague to hold his hand) you sh^d. send a written reply to the Government to which you are accredited on lines of my despatch to Damascus No 31 of 22nd March ~~and deliver~~ whenever ~~it as soon as~~ your U.S. colleague is ready to deliver the reply of the U.S. Govt.

3. Unless you see strong objection from the local point of view (in which case you would doubtless ask your U.S. colleague to hold his hand) you should send a written reply to the Government to which you are accredited on lines of my despatch to Damascus No.31 [of 22nd March] whenever your U.S. colleague is ready to deliver the reply of the U.S. Government.

AWMR
13/5

R.J.B.
13/5

Distributed to.
Eastern Dept
Middle East Secretariat
German General Dept

NOTHING TO BE WRITTEN IN THIS MARGIN.

FROM FOREIGN OFFICE TO DAMASCUS

Cypher/OTP
and By Bag

DEPARTMENTAL
DISTRIBUTION

No. 213
13th May, 1952.

D. 9.53 p.m. 13th May, 1952.

CONFIDENTIAL

Addressed to Damascus telegram No. 213 of 13th May
and Bagdad No. 352
Repeated for information to Amman
and Saving to:- Beirut No. 71, Cairo No. 155, Jedda No. 54, Paris No. 1633, Washington No. 2111, Tel Aviv No. 56, Memin (Fayid) No. 294, U.K. Del. New York No. 300

Damascus telegram No. 6 Saving [of 21st April: German compensation for Jews] and Bagdad letter 1502/13/52 of 24th April.

We still feel that the communication from the Government to which you are accredited should be answered, the more so since this has already been done at Beirut.

2. United States Embassy say that United States Government agree and have instructed your United States colleague accordingly. He is, however, to defer action till 16th May pending one further attempt to bring the French into line.

3. Unless you see strong objection from the local point of view (in which case you would doubtless ask your United States colleague to hold his hand) you should send a written reply to the Government to which you are accredited on lines of my despatch No. 31 to Damascus [of 22nd March] whenever your United States colleague is ready to deliver the reply of the United States Government.

DISTRIBUTED TO

Eastern Department
Middle East Secretariat
German General Department

B B B

CYPHER

Registry No. EE 8210/25

~~TOP SECRET~~
~~SECRET~~
CONFIDENTIAL
~~RESTRICTED~~
~~OPEN~~

~~EMERGENCY~~
~~IMMEDIATE~~
~~PRIORITY~~
ROUTINE
with / ~~without~~ priority
~~DEFERRED~~

(Date) ~~12th May,~~ 1952.

Despatched 9-20 P M.

Draft.

AMMAN

B

[Security classification —if any] Confidential

Addressed to AMMAN

telegram No. 198 (date) 13/5

repeated for information to SAVING BAGDAD, BEIRUT CAIRO, DAMASCUS, JEDDA, PARIS, WASHINGTON, TEL AVIV, FAYID, BMEO U.K. DELEGATION NEW YORK.

Telegram.

No. 198.

(Date) 12.v.52. May 13.

Repeat to :- Saving Bagdad, Beirut, Cairo, Damascus, Jedda, Paris, Washington, Tel Aviv, Fayid, U.K. Delegation New York

72 SAV. 156 SAV. 39 SAV. 55 SAV. 1634 SAV. 2112 SAV. 67 SAV. 295 SAV. 301 SAV.

DG 14/5

My telegram No. 213 to Damascus of the 13th May: German Compensation to Jews

Jordan Government's communication appears to have differed from those received from other Arab Governments in that it:-

(a) Confined itself to supporting the Syrian representations, and

(b) Was not addressed to the Americans or the French.

2. On the whole we should prefer you to send a written reply (assuming you have not already done so) but in view of ~~the circumstances in~~ paragraph 1(a) above we are prepared to leave the matter to your discretion.

RECEIVED IN C.D.
14 MAY 1952
SENT TO DEPT.

~~En Clair.~~
~~Code.~~
Cypher.

Distribution :—
E. Dept.
MES
German General Dept.

6.25p
13/5/52

James C Wardrop

Copies to :—

Distributed to
Eastern Dept
Middle East Secretariat
German General Dept

13/5

NOTHING TO BE WRITTEN IN THIS MARGIN

(25298) Wt. 40336-200 125m 2/50 G.S.St.

FROM FOREIGN OFFICE TO AMMAN

Cypher/OTP and By Bag DEPARTMENTAL DISTRIBUTION

No. 198
13th May, 1952. D: 9.20 p.m. 12th May, 1952.

CONFIDENTIAL

Addressed to Amman telegram No. 198 of 13th May,
Repeated for information Saving to:

Bagdad No. 72	Damascus No. 39	Washington No.2112	UKDEL.	
Beirut No. 72	Jedda No. 55	Tel Aviv No. 57	New York	
Cairo No.156	Paris No.1634	BMEO Fayid No. 295	No. 301.	

My telegram No. 213 to Damascus [of the 13th May: German Compensation to Jews].

Jordan Government's communication appears to have differed from those received from other Arab Governments in that it:-

(a) Confined itself to supporting the Syrian representations, and

(b) Was not addressed to the Americans or the French.

2. On the whole we should prefer you to send a written reply (assuming you have not already done so) but in view of paragraph 1(a) above we are prepared to leave the matter to your discretion.

DISTRIBUTED TO:

Eastern Department
Middle East Secretariat
German General Department

4444

1952

E

EASTERN DEPARTMENT

PALESTINE

E E18210/26

FROM Sir Henry Knight, Beirut, to Mr. Evans.

No. –

Dated 6th } May.

Received in Registry— 14th }

Compensation.

Encloses a report on a talk with Mr. Comay, at Tel Aviv.

Copied Sir Francis Evans at Tel Aviv.

REFERENCES

(Print)

(How disposed of)

(Action completed) 8/5 24/5.

(Index) 3/6

(MINUTES)

It will be seen that according to Mr. Comay there is no hope of part of ~~the~~ any German compensation to Israel being passed on as Israel compensation to Arab refugees.

If the message referred to in FO Tel No 540 (copy attached) to Wahneheide is finally delivered, we shall have more "locus standi" for representations to the Israelis with a view to their modifying their attitude towards compensation for Arab refugees.

Eastern Dept. [signature] 18/5

I am quite convinced that no Israel Government would make over directly to the Refugees anything that may be eventually be got out of the Germans. The actual principle of negociations with the Germans is causing much dissent internally in Israel and it will be essential to keep the fruits for home consumption. The best we can hope for is that increased assets may make them slightly less ungenerous.

[signature] 20.5.52

37799

[signature] 21/5

6.5.53

E 18210/26

My dear Evans

Herewith note which I have had no time to correct re Talk at Tel Aviv with Conway.

[signature]

PS I am sending copy to Frances Evans at Tel Aviv.

RECEIVED IN C.B.
13 MAY 1952
SENT TO DEPT.
15/5

Confidential (AC207) Beirut. 6.5.52.

Note re talk with Mr Comay Israeli officer i/c refugees affairs (vice Dr Meron who has been moved to Isreali Govt Oil Co.)
Sir Francis Evans.

Comay described method of getting Israeli Immigrants into work camps at site wherw they can eork at land development and build their own houses . When theseare built, the huts which they now occupy will become their cattle sheds etc. Israeli Govt re-alise that they must put the refugees onto paid work not keep them on rations merely. They are coming round to the view th t the work given to refugees should notlonger be Public Works but more immediately productive short term basis.

Re Arab refugees in Isreal , origianlly the Govt had said that itwould take them on some provision of funds by UNRWA but now will take them ver directly wothout UNRWA finds. Comay will shortly write to Balndford about it. He is doubtful of best way of taking tehm over , by categories, or by localities. Cannot takehem all over atonce. notice will be needed but would like to take them over before UN Gen Assembly. Hopes that Blandford will come to Tel Aviv.

Taking over the harf core of unemplyables will throw a strain on Isreal's ecomony. A lot of Hard Core Jews were taken over from IRO and are cared for by an institution set up by various bodies and to which IRO gave 2(?) million dollars. This institution is doing a lot of good wprk. (Query is it Jewish Red Cross?)

Compenstion. Comay had had discussion with Andersen and Berncastle. though the latter a very good man½ However Berncas-tle's £100. m. dollars can only be taken by Israel as a mechanical calculation which would be a basis for discussion. Jewish property left by Jews thrown out of Arab States woulf of course be deducted, also other claims. (presumably Arab war damages in Isreal.) In any case the amount to be paid woulf be have to correspond to Isreal's abiliity to pay. No hope of any of he German compenstaion going to the Arab compenstaion, forone thing, it would probably be paid in form of industrial machunery for Isreali indústires.

Israel is at any time ready to discuss compenstaion with any appropriate UN body, but understandsUNRWA's objection to being mixed up in the compensation question.

He complainedof the Arab Govt's attitude in boycotting Isre-el. obviously ,unless Israels economy be develpoed, it wont h have money to pay compensation, so the more the boycott the less the hope of compensation.

Half or moreof thepresentpopulation of Isreal came the there since the Arabs leftin 1948 and haveno knowledge og Palestine with Arabs there. Ben Gurion had yesterday remarked to him (Comay) that he had always regarded Ramleh as an Arab ci city, and now it is a Jewish city, and none of the inhabitants have ever known it as anything else.. Therefore the majority in Isreal will soon have no consciende re having taken the Arab 's lands and now being a democratic country it wold soon be impossible to get any bill for compensation to Arabs through the Knessett. The whole compensation question will undobtedly soon die a natural death and no longer be a practicalissue.

My impressions were...

1. Isreal will take over the Arab and Jewish refugees whom UNRW now supports, but that Isreali State Aid for for them and especi lly for thehard core is inadequate or practically non-existent.
2. Isreal is more worried over he boycott than I thought, (Evans thinks it is a worry merelyand not a real trouble)
3. There is no hope of the Arab refugees getting any compensation out of Isreal.
4. Comay despite apparent frankness was talking to the party line al the time and I should say he'd be ruthless if Arab refugee intesests and hose of Isreal conflict.
5. He was anxious to know what negotiations were going on between UNRWA and Syria.

30.4.52.

1952

EASTERN DEPARTMENT

PALESTINE

EE18210/27

FROM F.O. minute, Mr Wardrop.

No. —

Dated 15th

Received in Registry— 16th May.

German Compensation to Israel.

Attaches text of a note for communication to certain Arab Governments.

References

EE18210/25

MINUTES

M.E.S.

19.5.52

26.V

(Print)

(How disposed of)

Tel Damascus 221. 15 May.

Rpt Amman 205. 15/5

Bagdad 359

Beirut 75(S) Jedda 57(S)

W. Ven 2160(S) Fayid 302 (S)

Cairo 457 (S) Paris 1666 (S)

Tel Aviv 58(S) UK Del, N.Y. 308(S)

15 May

(Action completed)	(Index)
27/5	4/6

39984

EE 18210/27 Enter

E.

German compensation to Israel

Flag A.

Please see the passage marked X in Mr. Ross's minute of the 13th May at EE 18210/25.

2. M. Gaucher of the French Embassy called yesterday and said that the French Government had now decided after all to reply to the communications received from certain Arab Governments; and he left with me the attached copy of the text to be communicated to the Governments of Iraq, Syria, the Lebanon and Jordan. As will be seen, it is broadly speaking on the same lines as the instructions contained in paragraph 6 of our Despatch to Damascus No. 31 of the 22nd March. Note, however, the closing paragraph, which says that the French Government wishes to point out that what it has said is without prejudice to its attitude about compensation to Arab refugees. M. Gaucher explained that this had been put in to sweeten the pill; and I am rather sorry that we did not give similar instructions to our Representatives.

Flag B

3. The fact that the instructions are going out to the French representative at Amman suggests that we were wrong in assuming that the Jordanians had not approached the French as well as ourselves. (See our telegram to Amman No. 198). M. Gaucher was not certain, but he assumed this to be the case.

Flag C

4. I think it is just worth our while to inform our Representatives that the French are now replying (though they will doubtless have been made aware of this by their French colleagues); and we might take this opportunity of suggesting that they should add to their replies something on the lines of the concluding paragraph of the French reply.

5. I submit a draft telegram accordingly.

Mr Evans (MES) agrees.

James C Wardrop

(J.C. Wardrop)

15th May, 1952.

MES to see these pp c/a. Mr Evans will wish to comment on Sir F Evans's letter of 25th April at EE 18210/19.

Flag D.

Rawson

15/5

RECEIVED IN C.B.
16 MAY 1952
SENT TO DEPT.
16/5

Le Gouvernement .... s'est enquis récemment du point de vue du Gouvernement français sur la question d'une éventuelle affectation au réglement des compensations à verser aux réfugiés arabes des fonds que le Gouvernement d'Israël pourrait recevoir du Gouvernement Fédéral à titre d'indemnisation.

Le Gouvernement français a étudié avec intérêt la note que le Gouvernement .... a bien voulu lui faire tenir à ce sujet.

De l'examen auquel il a procédé, il résulte toutefois que l'accord de Paris sur les réparations ne permet pas à la France, que ce soit en son nom ou au nom de tout autre état, de demander à la République Fédérale d'Allemagne de nouvelles réparations jusqu'au réglement de paix définitif avec l'Allemagne; d'ailleurs l'initiative d'engager des négociations avec l'Etat d'Israël en vue d'une indemnisation, revient au Gouvernement Fédéral lui-même qui en a pris toute la responsabilité.

Dans ces conditions le Gouvernement français doit reconnaître que cette question concerne exclusivement les deux gouvernements intéressés et qu'il ne lui est pas possible d'intervenir dans leurs négociations.

Il tient cependant à souligner que cette position n'affecte en rien son attitude sur la question d'une compensation aux réfugiés arabes de Palestine.

Registry No. EE18210/27 (Enter with blue [illegible] 15th May)

CYPHER

F. O.,

15/5/52 ~~194~~

Despatched 8-5 P M.

~~Top Secret.~~
~~Secret.~~
Confidential.
~~Restricted.~~
~~Open.~~

Priority.

~~Security classification~~ Confidential

Addressed to DAMASCUS telegram No. 221 (date) of 15th May, AMMAN ~~telegram No.~~..... and BAGDAD ~~No....., and~~ repeated for information Saving to Beirut, Jedda, Washington, Memin Fayid, Cairo, Paris, Tel Aviv and U.K. Delegation New York.

My telegram to Damascus No. 213 [of the 13th May: Compensation for Jews].

French Embassy now inform us that French Government have decided to reply after all and are sending instructions to their Representatives at Amman, Bagdad, Beirut and Damascus.

2. French reply appears to be broadly on the lines of the instructions contained in my Despatch No. 31 [of the 22nd March] to Damascus, but it contains a final paragraph to the effect that the French Government's position is without prejudice to its attitude to the question of compensation for Arab refugees. ~~French Embassy explain that this has been put in to sweeten the pill.~~

3. Unless you see objection ~~we suggest that you~~ please add a paragraph on similar lines to your own communication.

Distributed to
Eastern Dept
Middle East Secretariat
German General Dept

15/5

Draft. Telegram to:
DAMASCUS, 221
AMMAN, and 205.
BAGDAD 359.

Telegram.

No.

(Date) May 15th

Repeat to :—

Saving to:
Beirut 75 SAV.
Jedda 57 SAV
Washington 2160 SAV.
Memin Fayid 302 SAV.
Cairo 157 SAV.
Paris 1666 SAV.
Tel Aviv 58 SAV.
U.K. Delegation New York. 308 SAV.

Carey C Wardrop 15/5.

RECEIVED IN C.B. MAY 1952 SENT TO DEPT.

~~En Clair.~~
~~Code.~~
Cypher.

Distribution :—
E Dept.
MES
German General Dept.

4.40 P
15/5/52
Ma

Copies to :—

NOTHING TO BE WRITTEN IN THIS MARGIN.

(13556) Wt. 43697-140 100m 3/47 G.S.St. Gp 620

FROM FOREIGN OFFICE TO DAMASCUS

Cypher/OTP and
By bag

DEPARTMENTAL DISTRIBUTION

No. 221
15th May, 1952.

D. 8.05 p.m. 15th May, 1952.

PRIORITY
CONFIDENTIAL

Addressed to Damascus telegram No. 221 of 15th May
And to Amman No. 205 and Bagdad No. 359
Repeated for information Saving to:-

Beirut No. 75	Cairo No. 157
Jedda No. 57	Paris No. 1666
Washington No. 2160	Tel Aviv No. 58
Memin Fayid No. 302	U.K. Del. New York No. 308

My telegram No. 213 to Damascus [of the 13th May: Compensation for Jews].

French Embassy now inform us that French Government have decided to reply after all and are sending instructions to their Representatives at Amman, Bagdad, Beirut and Damascus.

2. French reply appears to be broadly on the lines of the instructions contained in my Despatch No. 31 to Damascus [of the 22nd March] but it contains a final paragraph to the effect that the French Government's position is without prejudice to its attitude to the question of compensation for Arab refugees.

3. Unless you see objection please add to your own communication a paragraph on similar lines.

DISTRIBUTED TO:-
Eastern Department
Middle East Secretariat
German General Department

*****

E

EASTERN DEPARTMENT

PALESTINE

1952

E EE 18210/28

FROM Sir Henry Knight, Beirut, to Mr. Evans.

No. AC48

Dated 13th

Received in Registry— 22nd } May.

Palestine Conciliation Commission.

Comments on the staffing of the Commission.

References

EE 18210/18.

MINUTES

We have since sent for H Knight full information.

JB 23/5

(Print)

(How disposed of)

(Action completed) 26/5

(Index) 3/6

41070

United Kingdom Delegation
Advisory Commission UNRWA
BEIRUT

c/o British Legation,
BEIRUT.

[redacted](AC 48)

CONFIDENTIAL

13th May, 1952.

EE 18210/28

My dear Evans,

In connection with your letter (EE 18210/18) of the 2nd May, 1952, regarding the P.C.C., the following information comes via Bergus.

2. Azcarate has gone on indefinite leave. The French want M. Vigier, who was on the Truce Supervision Commission to remain in Jerusalem as the permanent representative of the P.C.C. there as they consider in the principle that there should be such a representative of the P.C.C. there all the time (this desire may perhaps be strengthened if the rumour that Vigier has only one year more to put in before he gets his pension is true!).

Yours sincerely,

(H.F. KNIGHT)

T.E. Evans, Esq., O.B.E.,
Foreign Office,
London, S.W.1.

RECEIVED N.C.B.
21 MAY 1952
SENT TO
23/5.

AA.C.231

UNITED NATIONS

NEW YORK

5 May 1952

Dear Mr. Blandford,

Since resuming its meeting at New York the Conciliation Commission has been considering the reaffirmation by the delegation of Israel at the Paris Conference on 14 November 1951 that Israel was ready to contribute to the settlement of the question of compensation for Arab property abandoned in its territory; and the delegation's suggestion that concrete discussions on the question of evaluation should be held immediately with the Commission or with any other United Nations body designated for the purpose.

At its meeting held on 28 April 1952 the Commission resolved to instruct Mr. John M. Berncastle to undertake such discussions in his capacity of Land Specialist of the Commission's Refugee Office, and has requested me to give necessary instructions for Mr. Berncastle to proceed to Palestine as soon as practicable, and there to make contact with the competent Israeli authorities. Mr. Berncastle is expected to arrive in Jerusalem during the week ending 10 May 1952.

In addition to his primary assignment the Land Specialist will study the possibility of assessing the amounts of compensation due to individuals and, in reporting on this to the Commission, will inform it of the view of the other United Nations Agencies in the area and of other official bodies. It will be appreciated if your Agency will collaborate with him in matters which pertain to his task and which are of common interest to the Commission and yourselves.

Yours sincerely,

Trygve Lie
Secretary-General

Mr. John B. Blandford, Jr., Director
United Nations Relief and Works Agency
for Palestine Refugees in the Near East,
UNESCO Building,
Beirut, Lebanon.

UNITED NATIONS

NEW YORK

30 April 1952

Dear Mr. Blandford,

I am instructed by the Conciliation Commission for Palestine to transmit herewith for your information a copy of a letter of 28 April 1952 addressed to the Arab Governments and to the Government of Israel from the Chairman of the Commission.

Yours sincerely,

F. Y. Chai, Acting Principal Secretary
Conciliation Commission for Palestine

Mr. John B. Blandford, Jr.
Director, UNRWA
Beirut, Lebanon

(Copy of the letter dated 28 April 1952addressed to the representatives of Egypt, Iraq, Lebanon, Saudi Arabia, Syria, Yemen, Jordan and Israel from the Chairman of the Conciliation Commission for Palestine)

Sir,

I have the honour to inform you that the first meeting of the Conciliation Commission for Palestine for the current year was held on 21 April, in New York, at UN Headquarters.

At this meeting it was decided that the Conciliation Commission would continue to meet at UN Headquarters in New York, where representation of the States members of the Commission will be maintained by their respective permanent delegations to the United Nations.

The Conciliation Commission has kept in mind the resolution adopted by the General Assembly on 26 January 1952 and the emphasis therein, both on the responsibility of the Governments concerned to reach a settlement of their outstanding differences, and on the obligation of the Conciliation Commission to be available to the parties to assist them in reaching agreement. The Commission is satisfied that it can now best discharge this obligation at UN Headquarters where it can convene without delay and where the Governments concerned can readily make full use of United Nations facilities as the resolution urges them to do.

The Commission does not overlook the possibility of meetings at its Jerusalem Headquarters and elsewhere if and when there should be a recognized need for such meetings.

Please accept, Sir, the renewed assurances of my highest consideration.

/s/ Chairman
Conciliation Commission for Palestine

1952

E

EASTERN DEPARTMENT

PALESTINE

E 1821 0/29

FROM

Chancery, Beirut

E. Dept.

No. 1491/22/52.

Dated 26.5.52.

Received in Registry— 3.6.52.

German Reparations.

The French Legation has submitted an aide-memoire on the same lines as that of H.M.G.

Last Paper

References

-/30

(Print)

(How disposed of)

(Minutes)

(Action completed)

(Index)

Next Paper

36390

RESTRICTED

E

RESTRICTED

(1491/22/52)

BRITISH LEGATION

BEIRUT.

26th May, 1952.

E E18210/29

EE18210/30

Dear Department,

With reference to the correspondence (e.g. Furlonge's letter of 17th May to Ross) about German reparations to Israel you should know that a few days ago the French Legation here received instructions to reply broadly on the same lines as ourselves. They have accordingly put in an Aide-Mémoire which unlike the American aide-mémoire contains no reference to Iraqi Jews.

Yours ever,

CHANCERY

BRITISH LEGATION BEIRUT

Eastern Department,
Foreign Office,
LONDON, S.W.1.

RESTRICTED

RECEIVED IN C.B.
3 JUN 1952
SECRETARY DEPT.

1952

E

EASTERN DEPARTMENT

PALESTINE

E E 18210/30

FROM

Mr Furlonge, Amman.

To Mr Ross.

No.

Dated 18203/20.

Received in Registry— 17.5.52. 30.5.52.

German Reparations.

Does not feel inclined to make a further communication to bring H.M.G.'s reply into line with the French & proposes to let the matter drop.

Last Paper

References

—/25.

(Print)

(How disposed of)

Mr Furlonge, Amman
for Mr Wardop
9 June

(Action completed) 18/6

(Index)

Next Paper

(Minutes)

More pps please for Mr Pullar.

We had ~~[illegible]~~ suggested on the 15th May in tel. No. 205 to Amman that a further communication might be sent ~~along the~~ to the Jordan Govt. along the lines of the French Note, which reserved the French attitude to the question of compensation for Arab refugees.

Amman had already replied to the Jordan Govt's. letter on the 16th April in accordance with our despatch No. 31 to Damascus, and now prefer to make no further communication unless instructed to do so, because of the lack of interest shown by the Jordan Govt.

If we agree, which seems reasonable, no reply is required.

H. de Pullar 6/6.

I had not seen Amman despatch No. 52 (which seems originally to have been entered with German Dept) when I drafted our telegrams Nos. 198 to Amman and 221 to Damascus, otherwise we should have instructed the former differently.

We can

36206

can certainly agree with Mr Furlonge that no further action need be taken.

Letter attached.

[illegible] 6/6.

NOTHING TO BE WRITTEN ON THIS PAGE

18203/20

British Legation,
Amman.

CONFIDENTIAL

17th May 1952.

E

E

EE 18210/25

Dear Archie,

With reference to your telegram No.198 of May 13th about German reparations to Israel, you will now have seen from my (printed) despatch No.52 of April 22nd that I had in fact replied on April 16th to the Jordan Government's note, on the strength of paragraph 9 of your despatch No.31 of March 22nd to Damascus.

EE 18210/24

2. The Jordan Government had sent a similar note to my French colleague but not to my American colleague (probably owing to an oversight). I cleared the terms of my reply with both of them before I dispatched it. At that time the French Minister had had no instructions, but he has now informed me in the sense of paragraph 2 of your telegram No.221 of May 15th to Damascus. In view of the apparent lack of interest of the Jordan Government in the question, which has certainly increased in the present situation here, I hardly feel inclined to make a further communication to bring our reply into line with the French and would propose to let the matter drop unless instructed to the contrary.

EE 18210/27

3. I am sending a copy of this letter to the other recipients of your telegram under reference.

Yours ever,

G.W. Furlonge

(G.W.Furlonge)

A.D.M. Ross Esq.,
Eastern Department,
Foreign Office,
London, S.W.1.

RECEIVED IN C.B.
30 MAY 1952
SENT TO

9/10
9/12

Registry
No. EE 18210/30

~~Top Secret.~~
~~Secret.~~
Confidential.
~~Restricted.~~
~~Open.~~

Draft.

G W Furlonge
Esqre
CMG OBE
Amman

from
J. C. Wardrop

Confidential

+ OC

Your letter to Ross of 17th May about German reparations to Israel.

2 As the individual responsible for drafting our telegrams Nos 198 and 221 to you and Damascus respectively, I feel I owe you an explanation of why the instructions contained in them were ever addressed to you, seeing that you had already replied to the Jordan note. The reason is that your despatch No 52 of 22nd April was at first entered with another Department and that it was only subsequently that I became aware of its existence.

3. Needless to say, we entirely agree that no further action on your part is called for.

[signature] 6/6.

RECEIVED IN DIVISION
- 6 JUN 1952
SENT TO TYPE 7/6
DESPATCHED

NOTHING TO BE WRITTEN IN THIS MARGIN.

Wt. 11647/234 250m 7/51 V.P.Co. 51-8078

(EE 18210/30)

CONFIDENTIAL

FOREIGN OFFICE, S.W.1.

9th June, 1952.

Your letter to Ross of the 17th May about German reparations to Israel.

2. As the individual responsible for drafting our telegrams Nos 198 and 221 to you and Damascus respectively, I feel I owe you an explanation of why the instructions contained in them were ever addressed to you, seeing that you had already replied to the Jordan note. The reason is that your despatch No. 52 of the 22nd April was at first entered with another Department and that it was only subsequently that I became aware of its existence.

3. Needless to say, we entirely agree that no further action on your part is called for.

(J.C. Wardrop)

G.W. Furlonge, Esq., C.M.G.,O.B.E.,
Amman.

1952

E

EASTERN DEPARTMENT

PALESTINE

E 1821 0/31.

FROM

Mr Montagu-Pollock
Damascus.

No. 89. (1490/21/52)

Dated

Received in Registry— 26. 5. 52.
4. 6. 52.

German Reparations for Israel.

Encloses copy of a memorandum on the subject which was handed to the Syrian Ministry of Foreign Affairs on 19th May. Also memoranda handed by the U.S. Chargé & the French Minister.

References

-/27

MINUTES

E. Dept. CW 10/6

H. M. Sultan 4/6

E 12/6.

(Print)

(How disposed of)

(Action completed)

(Index)

39984

E E18210/31

No. 89
(14901/21/52)

CONFIDENTIAL.

British Legation,
DAMASCUS.
26th May, 1952.

EE 18210/27

Sir,

With reference to your telegram No. 221 of 15th May about German reparations to Israel, I have the honour to transmit to you a copy of the memorandum on this subject which I delivered to the Secretary-General at the Ministry of Foreign Affairs on 19th May.

2. Jamal Bey Farra said that he would consider the memorandum and might offer some comment later. I enclose copies of the memoranda delivered on the same day by the French Minister and by the United States Chargé d'Affaires.

3. I am sending copies of this despatch, with enclosures, to Her Majesty's Representatives at Amman, Bagdad, Beirut, Cairo, Jedda, Tel Aviv, Washington, to the Permanent United Kingdom Representative to the United Nations, and to the Head of the British Middle East Office at Fayid.

I have the honour to be,
With the highest respect,
Sir,
Your obedient Servant,

W H Montagu-Pollock

The Right Honourable
Anthony Eden, M.C., M.P.,
etc., etc., etc.,

RECEIVED IN C.B.
4 JUN 1952
SENT ... DEPT.

ENCLOSURE TO DAMASCUS DESPATCH
NO. 89 TO FOREIGN OFFICE,
DATED 26th MAY, 1952.

COPY

MEMORANDUM

Her Majesty's Legation refers to the Memorandum of March 3rd from the Syrian Ministry of Foreign Affairs on the subject of the utilization of possible German reparations payments to Israel for the benefit of the Palestinian refugees.

2. The position of the Allies in regard to their wartime claims against Germany is based on agreements concluded between them after the end of hostilities, namely the Potsdam protocol and the Paris Agreement on Reparations. Israel was not a party to either of these. Pending a definitive settlement, Her Majesty's Government are precluded by the Paris Agreement from asserting either on their own behalf or on behalf of other States, any further reparation demands on Germany. As the Syrian Government will, however, be aware, the German Federal Government themselves took the initiative in offering to negotiate a settlement with the State of Israel and World Jewry of the latter's claim for the indemnification of Jewish victims of the Nazi persecution. The matter has thus become one for a direct negotiation between the Israel Government and the German Federal Government; and in the circumstances Her Majesty's Government consider that it would be inappropriate for them to intervene.

3. At the same time, Her Majesty's Government wish to assure the Syrian Government that their position in this matter is without prejudice to their attitude on the question of compensation for the Palestinian refugees.

British Legation,
DAMASCUS.

19th May, 1952.

COPY

ENCLOSURE TO DAMASCUS DESPATCH NO. 89 TO FOREIGN OFFICE DATED 26th MAY, 1952.

AIDE-MEMOIRE

The American Chargé d'Affaires referred to the Syrian Government's recent inquiry concerning the United States Government position with respect to negotiations between Western Germany and Israel on the proposed payment of reparations to Israel for Jewish losses during the time of the Nazi regime in Germany. He recalled that the Syrian Government had expressed the hope that the United States would use its good efforts for the sequestration of such reparations for the benefit of the Palestine Arab refugees.

Acting under instructions from the Department of State, the American Charge stated that the United States position was based on agreements among the Allies following the termination of hostilities, namely, the Potsdam Protocol and the Paris Reparations Agreement. The effect of these agreements has been to preclude, pending a definitive settlement with Germany in the nature of a peace treaty, the assertion by the United States Government on its own behalf or on behalf of other states to further reparation demands on Germany. The Charge noted that Israel is not a party to these agreements.

The United States, as well as the United Kingdom and France, has on a number of occasions made clear to the Government of Israel the Allied position on reparation demands against Germany. On September 27, 1951, however, Chancellor Adenauer of the German Federal Republic introduced in the Bundestag a resolution, which was promptly and unanimously adopted, offering to negotiate a settlement with the state of Israel and world Jewry of the latter's claims for the indemnification of Jewish victims of Nazi persecution.

The United States has urged the Israel Government to discharge its obligations to Arab refugees as soon as possible. While its position is therefore without prejudice to the question of compensation to the refugees, the United States Government

/does

does not consider it appropriate in the light of the foregoing to take the action suggested by the Syrian Government with respect to possible reparations to Israel from Germany.

American Legation,

DAMASCUS, May 19, 1952.

ENCLOSURE TO DAMASCUS DESPATCH
NO. 89 TO FOREIGN OFFICE
DATED 26th May, 1952.

AIDE - MEMOIRE

Le Gouvernement syrien s'est enquis récemment du point de vue du Gouvernement français sur la question d'une éventuelle affectation au réglement des compensations à verser aux réfugiés arabes des fonds que le Gouvernement israélien pourrait recevoir du Gouvernement Fédéral Allemand à titre d'indemnisation. Le Gouvernement Français a étudié avec intérêt les travaux que le Gouvernement Syrien a bien voulu lui faire tenir à ce sujet. De l'examen auquel il a procédé, il résulte toutefois que l'accord de Paris sur les réparations ne permet pas à la France, que ce soit en son nom ou au nom de tout autre Etat, de demander à la République Fédérale d'Allemagne de nouvelles réparations jusqu'à ce qu'intervienne un réglement de paix définitif avec l'Allemagne. D'ailleurs, l'initiative d'engager des négociations avec l'Etat d'Israël en vue d'une indemnisation revient au Gouvernement Fédéral lui-même qui en a pris toute la responsabilité. Dans ces conditions, le Gouvernement Français doit reconnaître que cette question concerne exclusivement les gouvernements intéressés et qu'il ne lui est pas possible d'intervenir dans leurs négociations. Il tient à souligner que cette position ne saurait en rien affecter son attitude sur la question d'une compensation aux réfugiés arabes de Palestine.

Damas, le Mai 1952

MINISTERE DES AFFAIRES
ETRANGERS

DAMAS.

1952

E

EASTERN DEPARTMENT

PALESTINE

E E 18210/32

FROM
Sir J. Troutbeck
Bagdad.

No. 78 (1502/24/52)
Dated
Received in Registry— 5.6.52. 9.6.52.

German Reparations.

Encloses copy of a note of 27 May which he has handed to the Iraqi M.F.A. about payment of indemnification by the German Federal Govt to Israel.

Last Paper

(Minutes)

H. N. Sullivan 11/6

12/6.

References

-/8.

(Print)

(How disposed of)

(Action completed) 13/6

(Index) 13/6

Next Paper

36206

CONFIDENTIAL.

E 18210/32

E

British Embassy,
BAGDAD.
5th June, 1952.

No. 78.
(1502/24/52).

Sir,

With reference to your despatch No. 31 (EE 18210/8) to Damascus of the 22nd March, and to your telegram No. 221 to Damascus of the 15th May about the payment of indemnification by the German Federal Government to Israel in respect of losses sustained by the Jews under the Third Reich, I have the honour to enclose copies of a Note Verbale which I have sent to the Iraqi Ministry of Foreign Affairs in reply to that enclosed in Mr. Bromley's letter to the Eastern Department 1502/13/52 of the 24th April.

2. The American Embassy's instructions on the subject contained no reference to the new final paragraph mentioned in paragraph 2 of your telegram No. 221 to Damascus and they were not very anxious to include it as they felt that our replies should keep strictly to the point raised by the Iraq Government. But they referred the matter to the State Department who replied that they had no objection to its inclusion. The replies sent by my American and French colleagues were therefore on the same lines as my own.

I am sending copies of this despatch, and of its enclosure, to Her Majesty's representatives at Amman, Damascus, Beirut, Jedda, Tel Aviv, Paris, Washington, to the Head of the British Middle East Office at Fayid and to the Permanent United Kingdom representative at the United Nations.

I have the honour to be,
With the highest respect,
Sir,
Your obedient Servant,

J. M. Troutbeck

The Right Honourable
Anthony Eden, M.C., M.P.,
etc., etc., etc.,

RECEIVED IN C.R.
9 JUN 1952
SENT TO REGD

CONFIDENTIAL.

No. 78.
(1502/21/52).

5th June, 1952.

Sir,

With reference to your despatch No. 31 (EE 1852/8) to Damascus of the 22nd March, and to your telegram No. 221 to Damascus of the 15th May about the payment of indemnification by the German Federal Government to Israel in respect of losses sustained by the Jews under the Third Reich, I have the honour to enclose copies of a Note Verbale which I have sent to the Israel Ministry of Foreign Affairs in reply to that enclosed in Mr. Bromley's letter to the Eastern Department 1502/13/52 of the 24th April.

2. The American Embassy's instructions on the subject contained no reference to the new final paragraph mentioned in paragraph 2 of your telegram No. 221 to Damascus and they were not very anxious to include it as they felt that our replies should keep strictly to the point raised by the Israel Government. But they referred the matter to the State Department who replied that they had no objection to its inclusion. The replies sent by my American and French colleagues were therefore on the same lines as my own.

I am sending copies of this despatch, and of its enclosure, to Her Majesty's representatives at Amman, Damascus, Beirut, Jedda, Tel Aviv, Paris, Washington, to the Head of the British Middle East Office at Egypt and to the Permanent United Kingdom representative at the United Nations.

I have the honour to be,
With the highest respect,
Sir,
Your obedient Servant,

The Right Honourable
Anthony Eden, M.C., M.P.,
etc., etc., etc.,

No.236

NOTE VERBALE

Her Britannic Majesty's Embassy presents its compliments to the Ministry of Foreign Affairs and has the honour to acknowledge receipt of their Note Verbale No.1415/1415/13 of the 29th March about negotiations between Western Germany and Israel for the payment by the former to the latter of compensation for the Jewish victims of Nazi persecution.

The position of the Allied Powers in regard to their wartime claims against Germany is based on agreements concluded between them after the end of hostilities, namely the Potsdam protocol and the Paris Agreement on Reparations. Israel was not a party to either of these. Pending a definitive settlement, Her Majesty's Government are precluded by the Paris Agreement from asserting either on their own behalf or on behalf of other States, any further reparation demands on Germany. As the Government of Iraq will be aware, however, the German Federal Government themselves took the initiative in offering to negotiate a settlement with the State of Israel and World Jewry of the latter's claim for the indemnification of Jewish victims of the Nazi persecution. The matter has thus become one for a direct negotiation between the Israel Government and

/the

British Embassy,
BAGDAD.
27th May, 1952.

the German Federal Government; and in the circumstances Her Majesty's Government consider that it would be inappropriate for them to intervene.

Her Majesty's Embassy has the honour to add that the foregoing does not in any way affect the attitude of Her Majesty's Government in the United Kingdom towards the question of compensation for the Palestine refugees.

Her Britannic Majesty's Embassy avails itself of this opportunity to renew the expression of its highest consideration.

1952

E

EASTERN DEPARTMENT

PALESTINE

E E 18210/33

FROM

B. B. C. Monloung

No.

Dated 9. 6. 52.

Received in Registry— 16. 6. 52.

German reparations.

It has been reported that public opinion in Germany shows that the compensation should be transferred ~~to~~ the refugees.

Last Paper

(MINUTES)

HAP 20/6.

References

(Print)

(How disposed of)

(Action completed)	(Index)
23/6	

Next Paper

22: = ARAB BID TO TRANSFER GERMAN COMPENSATION TO ARAB REFUGEES =

Sy

(ARAB NEWS AGENCY 0635) DAMASCUS: IT HAS BEEN REPORTED THAT AS A RESULT OF SYRIA'S ENDEAVOURS, PUBLIC OPINION IN GERMANY SHOWS THAT SHOULD GERMANY PAY COMPENSATION FOR THE JEWS, THESE AMOUNTS SHOULD, IN FAIRNESS, BE TRANSFERRED TO THE ARAB REFUGEES WHOM THE JEWS OUSTED FROM THEIR HOMES. THE VARIOUS ARAB STATES WILL TAKE PART IN THIS EFFORT WHEN THE MATTER IS SUBMITTED TO INTERNATIONAL ORGANISATIONS.

END BBC MON = 1405 9/6 OH KY

E E 18210/33

Division.
Pl enter on Israel-German loan file
H [illegible]
14/6

RECEIVED IN C.B.
16 JUN 1952
SENT TO DEPT
17/
to

1952

E

EASTERN DEPARTMENT

PALESTINE

E E 18210/34

FROM

Mr Samuel Damascus.

No. 102 (14901/23/52)

Dated

Received in Registry— 19.6.52. 25.6.52

References

~/31

(Print)

(How disposed of)

(Action completed) [signature] 30/6

(Index) [signature]

German Reparations.

The Syrian Govt have decided to protest to the West German Govt. at the latter's intention to pay compensation to Israel for treatment accorded by German to the Jews.

Copied) Wahnerheide, Tel Aviv, Fayid.

MINUTES

We have encouraged Israel and the Federal Govt. to arrange a settlement between them, which they seem to be doing. Syria's protest alone will probably have no effect on the negotiations, but this may well develop into an Arab League matter, like the move of the M.F.A. to Jerusalem.

H.M. Pullar 28/6.

Mr Rhodes. PUR. 30/6

HMP x

41070

CONFIDENTIAL.

[redacted]. 102
14901/23/52

British Legation,
Damascus.

19th June, 1952.

E

EE 18210/31

E E 18210/34

Sir,

With reference to Mr. Montagu-Pollock's despatch No. 89 of the 26th May about German reparations to Israel, I have the honour to report that the Minister for Foreign Affairs asked me on the 17th June to inform you that the Syrian Government have decided to protest to the West German Government at the latter's apparent intention to pay compensation to Israel for the treatment accorded by Germany to the Jews and their property. The grounds for the protest are, first, that the damage was inflicted on German Jews and not on citizens of Israel which did not then exist; it is therefore wrong to compensate Israel: and, secondly, that the Israelis have already helped themselves to compensation at the expense of the Arab inhabitants of Palestine.

2. In reply to my question about Syria's diplomatic representation at Bonn, Jamal Bey Farra, the Secretary-General, who was present, replied that the Syrian Consulate-General at Bonn was about to be raised to the status of a Legation.

3. The Minister has also asked my United States and French colleagues to inform their Governments of the impending protest.

4. I am sending copies of this despatch to Her Majesty's Representatives at Wahnerheide/Tel Aviv and to the British Middle East Office at Fayid.

I have the honour to be
with the highest respect,
Sir,
Your obedient Servant,

A. C. Sowerby

The Right Honourable
Anthony Eden, M.C., M.P.,
etc., etc., etc.

25 JUN 1952

Sir,

With reference to Mr. Montagu-Pollock's despatch No. 89 of the 26th May about German reparations to Israel, I have the honour to report that the Minister for Foreign Affairs asked me on the 17th June to inform you that the Syrian Government have decided to protest to the West German Government at the latter's apparent intention to pay compensation to Israel for the treatment accorded by Germany to the Jews and their property. The grounds for the protest are, first, that the damage was inflicted on German Jews and not on citizens of Israel which did not then exist; it is therefore wrong to compensate Israel: and, secondly, that the Israelis have already lodged themselves to compensation at the expense of the Arab inhabitants of Palestine.

2. In reply to my question about Syria's diplomatic representation at Bonn, Jamal Bey Barra, the Secretary-General, who was present, replied that the Syrian Consulate-General at Bonn was about to be raised to the status of a Legation.

3. The Minister has also asked my United States and French colleagues to inform their Governments of the impending protest.

4. I am sending copies of this despatch to Her Majesty's Representative at Beirut and to the British Middle East Office at Cairo.

I have the honour to be
with the highest respect,
Sir,
Your obedient servant,

The Right Honourable
Anthony Eden, M.C., M.P.,
etc., etc., etc.

1952

E

EASTERN DEPARTMENT

PALESTINE

E E 18210/35

FROM

Mr Myers, Beirut

To Mr Evans.

No. AC.99.

Dated

Received in Registry— 26. 6. 52. 2. 7. 52.

References

-/21

(Print)

(How disposed of)

(Action completed) 28/7

(Index) 10/10

Compensation.

Mr Berncastle of the P.C.C. has been investigating how the total amount of compensation for abandoned Arab immovable property in Israel is likely to be distributed. He will have a meeting with Blandford on the latter's return to Beirut.

(Encl. letter of 24/6 from Berncastle to Blandford)

MINUTES

E Dept (Mr Pullar) to see. HMP 28/7 CW 4/7.

Miss Waterlow. Is the £100m. mentioned a hypothetical or actual evaluation? I have not found any reference in these papers to this figure.

H. N. Pullar 28/7

See p. 13 of attached report.

CWaterlow 28/7

Mr Pullar. Thank you. HMP 29/7

CW 29/7

41070

CONFIDENTIAL
(AC 99)

E.E 18210/35

T.E. Evans, Esq., O.B.E.,
Foreign Office,
London, S.W.1.

WITH THE COMPLIMENTS

OF

O. H. MYERS
~~Sir Henry Knight~~

United Kingdom Delegation
Advisory Commission UNRWA
BEIRUT

c/o British Legation,
Beirut.

26th June, 1952.

D IN C.B.
2 JUL 1952
DEPT.

Ad. P. 267

EK

M E M O R A N D U M

CONFIDENTIAL

Ref. 716 24 June 1952

TO : Advisory Commission - for information

FROM : Deputy Director

... At the request of the Director, I attach copy of a letter dated 3 June from Mr. J.M. Berncastle, Land Specialist of the Refugee Office, Palestine Conciliation Commission.

It is proposed to invite Mr. Berncastle to attend a meeting of the Advisory Commission following the Director's return to Beirut.

James Keen
Deputy Director

JK/adh

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Economic Adviser
Legal Adviser
Comptroller
Reports Officer

C O P Y

UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

Government House
Jerusalem

3 June 1952

Dear Mr. Blandford,

I was glad to have had a brief talk with you during your visit to Jerusalem on 26 May and am grateful to you for giving up to me some of the very limited time at your disposal. I expect to visit Beirut as soon as my discussions with the Israel authorities are safely under way and hope then that there will be an opportunity for some further talk with you and your Advisory Council.

You asked me some questions as to how the total amount of compensation for abandoned Arab immovable property in Israel would be likely to be distributed and I have been making some enquiries on this subject. It seems that among the townspeople the ownership of immovable property was concentrated in comparatively few hands. For instance, out of 70,000 Moslems and Christians living in Jerusalem in 1935, 55,000 owned no immovable property. Of the remaining 15,000, if we assume five persons to a family, it would mean that all the Arab property in the city belonged to 3,000 heads of families. On the other hand, almost all the rural population owned some land but the individual holdings were usually very small. I believe that the bulk of the people on UNRWA's ration list are from rural areas and therefore they would nearly all have some claim to compensation. When reduced to terms of money, however, the amount might be so small as not to tempt them to renounce any right of return to their property, no matter how illusory such rights might be.

The persons with whom I discussed the matter were of the opinion that if the total amount of compensation were 100 million pounds sterling, 40 to 50 millions would fall to be distributed among about 40,000 urban persons, or 8,000 families, and the remainder would fall to be distributed among the rural population. If we assume for present purposes that there are 900,000 refugees altogether, or 180,000 families, and of these, 146,000 persons or 29,200 families are townsfolk who owned no immovable property, it would mean that 50 to 60 millions would be available for distribution among 142,800 rural families. This gives an average of, say, 385 pounds per family. Of course, the foregoing figures are very rough but my informants were people in the best position to know about such matters.

You probably have other information on the subject and it would be interesting to know how these estimates compare.

With kind regards,

Yours sincerely,

(J. M. Berncastle)

1952

E

EASTERN DEPARTMENT

PALESTINE

E E 18210/36

FROM

Mr Riches
Jedda
to Mr Ross.

No. 1145/19/52.

Dated

Received in Registry— 14-7-52. 23. 7. 52.

German Reparations.

The Saudi Arabian Deputy Foreign Minister raised the question with the American Ambassador during a visit to Jedda

Last Paper

References

-18

(Print)

(How disposed of)

(Action completed) 8/8

(Index)

Next Paper

(Minutes)

Mr Hare's reply is in accordance with our position.

It remains to be seen now if the Arab League approach the West German Govt. individually, as Syria has decided to do. A recent announcement in the Daily Bulletin of the Jewish Telegraph Agency comments that negotiations between Israel and West Germany have slowed down but are being pursued actively.

H.A.P 28/7

Mr Crawford.

L.S.P. 1/8.

A.D.M.K. 2/8

See note.

A/ F.O. Minute (Mr Ross) of 25 July.

H.A.P 6/8

37021

Nothing to be Written in this Margin.

(44085) Wt.31461/245 220,000 11/51 A.&E.W.Ltd. Gp.685

Minutes.

E. Dept.

Please see the attached memorandum. Have we heard anything from Damascus recently? How does the matter now stand?

A.D.M.R.
27/7

Mr Ross.

Our latest communication from Damascus is dated June 19th; no doubt we shall hear in a day or two.

Flag A.

H. McPullan
28/7

I shd not be surprised if Mr. Hornby was referring to the communication at p 34. He is often behind the times.

A.D.M.R.
2/8

E E 18210/36

Arab Claims against Israel.

The Syrian Minister, in the course of a visit this morning, mentioned that the Syrian Government had sent a further communication to H.M. Legation at Damascus urging that the question of compensation to Israel by the German Federal Republic for damage done to Jewish life and property in Germany under the Nazi régime should be linked with the question of Arab claims against Israel. Monsieur Homsy said that he could understand that on the official plane it was impossible to link these questions, but maintained that unofficially the Western Powers, particularly the United States, should bring pressure to bear on the German Government. He also hinted that pressure might be brought to bear on Israel.

2. I said that I had not seen the communication to which Monsieur Homsy referred but that our position was quite clear. The two questions were quite separate and we could not take any steps, official or unofficial, to link them. I pointed out that the German Government were an entirely free agent in this matter. On the other hand, there was nothing to prevent the Arab Governments from making representations to the German Government if they thought that by that means the two questions could be technically linked.

3. At the close of our conversation Mr. Homsy confessed that he personally could not see that there was anything we could do.

A.D.M. Ross

(A.D.M. Ross)
25th July, 1952.

CONFIDENTIAL.

1[redacted]5/19/52.

E E18210/36

British Embassy,

Jedda.

14th July, 1952.

Dear Ross,

Foreign Office despatch No. 31 (EE18210/8) of the 22nd March about the use for the benefit of Palestinian refugees of any indemnity paid by the German Federal Republic to Israel in respect of losses sustained by the Jews under the Third Reich.

The Saudis have not raised this subject with me at all but the American Ambassador tells me that the Saudi Deputy Foreign Minister, Sheikh Yusuf Yasin, spoke to him about it on the 3rd July. Sheikh Yusuf was only spending a day in Jedda and told Mr. Hare that he had intended to raise the matter with me also when I had seen him earlier but had forgotten to do so.

Mr. Hare tells me that he replied to Sheikh Yusuf to the effect that the Jews had suffered immeasurably more than the Arabs though the latter had, of course, suffered considerably. It was obviously just that the Jews should be compensated and the Arabs too. But it was absurd and impracticable to link the two matters directly. Sheikh Yusuf had apparently no answer to this statement and said he would think it over. The fact however that he raised it orally in this way and has not subsequently sent me any message or written communication about it, is a measure both of his personal (and fanatical) interest in the subject of Israel and the Jews; and the equal lack of interest of the Saudi Government as a whole.

I am sending copies of this letter to the recipients of the Foreign Office despatch under reference.

Yours ever,

D. M. H. Riches

(D. M. H. RICHES).

A.D.M. Ross, Esq.,
Eastern Department,
Foreign Office.

RECEIVED IN C.B.
23 JUL 1952
SENT TO DEPT.

1952

E

EASTERN DEPARTMENT

PALESTINE

E E 18210/37

FROM

U.K. Delegation
New York.
~~To~~ E. Dept

No. 1077/54/52P

Dated

Received in Registry— 30.8.52. 4.9.52.

Compensation - P.C.C.

Encloses statement by Mr Raphael ~~to the PCC~~ & two communications by Mr Boncastle.

Last Paper

Corr. on ER 1155/21 (Minutes)

References

Hold up for pp.

We have already replied to para 4 of this letter on ER 1155/21.

The first paper gives an interesting estimate, based on a statistical analysis of the distribution of compensation between 160,000 refugee families. The result, given on P. 9, is as follows:

Estimated compensation claim	No. of families
Nil - £100	63,950
£100 - £1,000	75,760
£1,000 - £10,000	18,478
Over £10,000	1,672.

(Print)

In the light of Mr Boncastle's ~~points~~ remarks on P. 1 of the interesting paper, these figures are ~~encouraging~~. They suggest that if compensation on the scale envisaged is ever paid (of course, an enormous if) nearly ~~some~~ 100,000 families would be entitled to sums adequate to cover their basic resettlement expenses - or to go some way to meet them. They also show, however, that even if the full amount is paid, the payment of compensation on an individual basis will not solve the refugee problem. There will still be a hard core of 64,000 families (some

(How disposed of)

(Action completed) 5/9

(Index) £10/10

Next Paper

320,000 persons) whose compensation will be quite inadequate to enable them to resettle themselves.

The second paper is a report to the P.C.C. It falls into two parts: (i) Account of Mr Bernacastle's negotiations with the Israel authorities. The latter are adopting delaying tactics in agreeing to ~~the~~ discussions about individual assessments. They wish to avoid being put in a position whereby, an assessment having been made, they are regarded as owing this debt to the refugees. Mr Bernacastle has surmised that they may be anxious to await conclusion of the agreement about German compensation before committing themselves on this matter.

(ii) Result of Mr Bernacastle's discussions with various people about the principle of individual assessment. The conclusion, is given on P. 12, is that individual assessment is desirable. Only ~~two~~ Arabs have made the point which occurs to me, which is that unless some decision is taken about where the money is to come from, the tedious work of individual assessment may ~~not only~~ prove a complete waste of time. The opinion of a number of the Arabs consulted that the refugees would accept compensation, if offered to them, & thereby renounce their right to repatriation is important.

~~It~~ I think it might be worth copying these papers to Jerusalem, Tel Aviv, Amman, Sir H. Knight, & UK Del New York.

C Watkins
12/9.

E-Dept. HMP 15/9.

[illegible] 12/9

NOTHING TO BE WRITTEN ON THIS PAGE

E18210/37

CONFIDENTIAL.
No. 1077/51/52P

UNITED KINGDOM DELEGATION TO THE
UNITED NATIONS

Empire State Building,
New York.

30th August, 1952.

Dear Department,

In his letter to Sir James Bowker, No.1077/51/52P of 29th August, Mr. Coulson gave a brief account, as given to us by the American Delegation, of what happened at the meeting of the Palestine Conciliation Commission (P.C.C.) on August 27th.

2. The present American Representative on the P.C.C. (Barco) has now handed to us confidentially a copy of the statement which was made at that meeting by the Israeli Representative, which we enclose. Barco wanted to make it clear at the same time that, at the meeting, he had taken up the question in the first paragraph on page 3 of the statement about the Israeli Government reviewing the position with the United States Government, after the first instalment, in the light of progress achieved in the release of Israeli accounts blocked in Arab countries. Barco said that he had made it quite clear that the United States Government did not consider that any discussions which they might have with the Israelis should have any connection with the Israeli unconditional offer to release the Arab accounts.

3. The P.C.C. held another meeting on August 29th, and Barco has informed us that one of the questions discussed was the rate at which the Israeli pound should be exchanged into foreign currency. No one knew the answer or produced any suggestions but they recognised that this matter would need to be cleared up fairly soon. Another point which Barco mentioned, though we understand it was not discussed at the meeting, was the question who would pay the expenses which the banks would incur in carrying out the releases. The Americans apparently think that one of the reasons why the Israelis are anxious that the P.C.C. should be involved in the operation is that they think that they would otherwise be expected to pay the banks fees.

4. At the meeting on August 29th, Barco pressed the French and Turkish Representatives to obtain early instructions on their proposal that Berncastle should return to New York to establish a small compensation office here. The Americans hope that this question will be decided at the next meeting, which is to be on Wednesday September 3rd. If you see any serious objection to the proposal or for some important reason wish to delay a decision, could you please telegraph to us.

5. We have received in confidence from the French Delegation the enclosed copies of two communications received from Berncastle. We have not had time to make copies of these and if you make copies in London we should be grateful to receive one of each for our files.

Yours ever,

DELEGATION.

Eastern Department,
Foreign Office,
London, S.W.1.

A STUDY OF THE DISTRIBUTION OF ARAB LAND IN PALESTINE ACCORDING TO THE VALUE

by J.M. Berncastle, Land Specialist to the Refugee Office of the United Nations Conciliation Commission for Palestine

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A basic assumption in this study is that the total value of land in territory now held by Israel and abandoned by Arab refugees is 100 million pounds sterling as estimated by the Refugee Office in its preliminary report to the Commission. Interest has been expressed in a number of quarters as to whether and how the payment of this sum by way of compensation would contribute to the reintegration outside of Israel tetritory of those who would be entitled to receive it. The Commission has gone on record as being in favour of payment to individuals and general opinion in the Arab work, and particularly among the refugees, also favours this course. An individual assessment of the value of each refugee's immovable property will eventually have to be made but in the meantime it is interesting to consider how the total sum is likely to be distributed. It is clear tha if the whole sum were to go to a few hundred or even a few thousand great landlords it would be unlikely, in the absence of special measures, to contribute to the reintegratio of a substantial proportion of the 900,000 or so refugees. On the other hand, if there were a large number of beneficiaries, each of whom was entitled to something less that a hundred pounds the aggregate of such amounts might be considerable but the individual amounts would be too small to contribute substantially to the reintegration of those wh would receive them, and they would probably be used up rapidly in the purchase of day to day needs. Refugees who would benefit only to such a small extent would be unlikely to renounce their legal and theoretical right of return to their homes in favour of compen tion.

In a study of this kind the total number of persons in an important factor. Unf tunately it is not possible to make any very close estimate. According to "Arab Refuge

by S.G.Thicknesse, published by the Royal Institute of International Affairs, the refugee population in September, 1949, was as follows :

In the Gaza Area	200,000
In central Palestine	220,000
In Jordan	88,000
In Syria	100,000
In Lebanon	100,000
In Iraq	5,000
Total	713,000

The author also gives the following classifications :

Refugees with means	8,000
Refugees in villages and towns	250,000
Refugees in caves	30,000
Refugees in camps	430,000
	718,000

The author estimates the total Arab population of Palestine in May 1948 as 1,320,000 and accounts for it as follows :

Arabs in Israel	150,000
Arabs still in their home	554,000
Refugees	713,000
Dead	20,000
Unaccounted for	33,000
	1,320,000

The latest UNWRA statistics as at 31st May, 1952, give the following number of refugees :

In Lebanon	104,196
In Syria	83,960
In Jordan	99,444
In Arab Palestine	370,983
In the Gaza Area	204,092
	862,675

These figures are presumably based on ration cards and may be inflated by reason of the fact that some refugees have more than one card. On the other hand, they would not include the group described by Miss Thidknesse as "refugees with means" and numbering 8,000. Of the group described by her as "refugees in villages and towns, Miss Thicknesse considers that a maximum of 16,000 may have found work of some kind or have some means

of existence other than UN rations. If they have found work, they will have been removed from the ration lists and their number should also be added to UNWRA's figure to arrive at the total number of refugees. The total number of persons eligible for compensation would also include a small number who, though not refugees, nevertheless owned property in Israel held territory. On the other hand, some refugees who have been living on resources which they were able to bring away with them may have come to the end of those resources and gone on to the ration lists. The difference between Mis Thidkenesse's 1949 estimate and UNWRA's 1952 figures is accountable in part to natural increase.

The rate of natural increase among Arabs may be taken as approximately 25 per thousand per annum, so that in the three years 1949-1952, the refugee population might be expected to have increased by 7.5 per cent through this cause. If the 1949 estimate of refugee population, i.e. 713,000 is increased by this percentage the resulting figure is 765,000. In point of fact, however, there is reason for believing that the rate of natural increase among the refugees is higher than the normal.

It appears from the foregoing figures that the number of persons among whom the compensation of 100 million pounds sterling would have to be divided lies somewhere between 850,000 and 900,000. In a study of this kind it is convenient to consider family units rather than individuals. According to the latest UNWRA statistics of adult male refugees, classified according to former occupations, the number of such persons is 158,360. If this is divided into the total number of refugees, vis. 882,462 (including the few in Israel), the quotient is approximately 5,6. There is other evidence that the average family unit consist of from five to six persons. If we divide five into 850,000, the quotient is 170,000 and if we divide six into 900,000 the quotient is 150,000. It is permissible to infer that the number of family units lies between these two figures, and it is proposed to assume that it is 160,000.

From the foregoing it appears that the compensation of 100 million pounds sterling would fall to be divided among 160,000 families, giving an average of 625 pounds per family. In the following paragraphs an attempt is made to see how these figures can

be further refined.

Dealing first with the rural property, the Refugee Office's study gives the value of this as 69,525,144 pounds. According to "A Survey of Palestine", 1946, chapter VI, Table 9a, out of a total non Jewish population in 1944 of 1,444,370 some 733,860 were village dwellers. This represents approximately 64 %. Miss Thicknesse gives the proportion of able bodied male refugees who were villagers as 83 %. The difference is susceptible of several explanations. For example, the number of villagers who became refugees may have been proportionately greater than the number of townpeople. For present purposes, it will be assumed that 75 % of the 160,000 families referred to in the preceding paragraph were village families.

In the "National Income of Palestine, 1944", J?P.Loftus gives an account of a study of Arab Land holdings in five representative villages. It was found that 80 % of the land was possessed by resident villagers, and 15,5 % by other private interests of which almost 10 % was owmed by residents of towns. Eighty per cent of sixty-nine and a half million pounds is approximatelu fifty five and a half million pounds. It can safely be stated that no villagers owned property in towns and therefore it can be inferred that 55.5 million pounds would fall to be distributed among 120,000 rural families. This gives an average of approximatelu 462 pounds per family.

These figures can, however, be broken down further.

Loftus summarises the results of his study in the following table :

Table 2

Distribution of holdings possessed by resident villagers, by size (including land possessed outside the boundaries of village area).

Size of holdings (dunums)	Total five villages No of holdings	Area (dunums)
- 1	7	(1.3)
1-5	91	265
6-10	93	735
11-20	155	2,221
21-30	78	1,998
31-40	61	2,131
41-50	56	2,507
51-60	36	1,992
61-80	45	3,117

81-100	29	2,577
101-120	24	2.638
121-140	8	995
141-200	12	2,063
201-300	5	1,230
301 plus	5	4,729
Total	705	29,199

In the follàwing table the last two colums of Loftus's table have been expressed as percentage of the totals :

Size of holdings	No of holdings	Area (dunums)
-1	1 %	0 %
1-5	12.90 %	.90 %
6-10	13.20 %	2.52 %
11-20	22.00 %	7.60 %
21-30	11.05 %	6.85 %
31-40	8.65 %	7.30 %
41-50	7.95 %	8.60 %
51-60	5.10 %	6.80 %
61-80	6.40 %	10.70 %
81-100	4.10 %	8.85 %
101-120	3.40 %	9.05 %
121-140	1.13 %	3.40 %
,141-200	1.70 %	6.05 %
201-300	07 %	4.16 %
301 plus	07 %	16.20 %

If the number of holding is taken as equal to the number of families and if it is assumed that value is proportional to area the foregoing percentages can be applied to the figures 120.000 and LP 55,500,000 to construct the following tables

No of families	Total value of holdings LP	Average value per family LP
1,200	nil	nil
15,500	500,000	32
15,800	1,400,000	88
26,400	4,220,000	160
13,230	3,810,000	288
10,380	4,050,000	390
9,500	4,770,000	502
6,120	3,770,000	615
7,680	5,950,000	776
4,900	4,900,000	1,000
4,080	5,070,000	1,240
1,350	1,885,000	1,395
2,040	3,350,000	1,645
840	2,300,000	2,740
840	8,900,000	10,700

Since it was assumed that 120,000 out of 160,000 refugee families were villagers, it is assumed that the remaining 40,000 were townpeople. The value of the abandoned urban property according to the Refugee Office's report was LP 30,350,000. To this must be added 20 % of the value of the rural property which dis not belong to resident villagers. This amounts to LP. 13,900,000. The total compensation to be distributed amongst townsfolk therefore equals LP. 1.120 per family.

A study made in 1935 showed that of 70,000 Moslems and Cristians living in Jerusalem in that year, 55,000 owned no immovable property. Therefore, all the Arab property was owned by 15,000 out of 70,000 persons. On the basis of five persons to a family, this means that all the property was owned by 3000 out of 14,000 familiesm and if the same proportion is deemed to hold good for the whole of the refugee urban property, it follows that the LP 44,750,000 would fall to be distributed among 8,550 out of 40,000 families, and taht the remaining 31,450 families would get nothing. The average share among the families which would benefit would be LP. 5,525.

In the light of such data as are readily available, there seems to be no quick and reasonably accurate method of breaking down these figures further. The only possible method which suggests itself is based on the hypothesis that the distribution of property is proportional to the distribution of income. This, however, is true only in a very broad sense. Nevertheless it is interesting to make the experiment and see to what results it leads.

Loftus says "Arabs income from non agricultural sources amoubted to L.P. 29,2 million accruing to 148,000 persons actively engaged. Of these 11,100 received incomes above the minimum subject to income tax amounting in all to LP 7,4 million. The remaining 136,900 thus received an aggregate income of LP 21,8 million equivalent to LP 160 per pers n engaged", He gives the following table which shows the distribution of incomes of those liable for income tax. It is assumed for present purposes that those who were not liable for income tax owned no immobable property.

Distribution of assessable incomes of Arab (incl. "Other) income tax-payers, according to size of income.

Assessable Income groups	No of Tax-payers	Assessable Income LP
Under LP.300	2,242	524,836
LP. 300 - LP. 399	1,211	415,923
LP. 400 - LP. 499	2,557	1,125,656
LP. 500 - LP. 599	1,641	865,333
LP. 600 - LP. 699	1,047	656,402
LP. 700 - LP. 799	581	424,855
LP. 800 - LP. 899	438	364,168
LP. 900 - LP. 999	264	247,038
LP. 1,000 - LP. 1,499	742	878,666
LP. 1,500 - LP. 1,999	227	391,184
LP. 2,000 - LP. 2,499	114	248,339
LP. 2,500 - LP. 2,999	32	85,470
LP. 3,000 - LP. 3,499	19	61,155
LP. 3,500 - LP. 3,999	8	29,463
LP. 4,000 - LP. 4,999	11	45,828
LP. 4,500 - LP. 4,999	8	37,283
LP. 5,000 and over	20	140,213
Total individuals	11,162	6,544,812
Companies	82	1,177,422
Less distributed Company, profits, taxed		235,884
GRAND TOTAL	11,242	7,486,350

In the tablewhich follows, the last two colums of Mr. Loftus's table have expressed as percentages of the totals :

Assessable Income Groups	No of Tax-payers	Assessable Income LP
Under LP.300	20.4 %	8 %
300-399	10.8	6.35
400-499	23.0	17.20
500-599	14.7	13.20
600-699	9.4	10.00
700-799	5.2	6.50
800-899	3.9	5.62
900-999	2.36	3.78
1,000-1,499	6.64	13.40
1,500-1,999	2.03	5.96
2,000-2,499	1,02	3.76
2,500-2,999	,286	1.30
3,000-3,499	,170	.93
3,500-3,999	,072	.44
4,000-4,499	,096	.70
4,500-4,999	,072	.56
LP.500 and over	,179	2.14

These percentages are now applied to the number of benefitting families (8.550) and to the amount of compensation to be distributed among them :

No of families	Amount to be distributed LP	Average compensation per family LP
1,745	3,570,000	2,020
923	2,840,000	3,080
1,965	7,700,000	3,920
1,255	5,910,000	4,710
850	4,470,000	5,260
445	2,910,000	6,550
333	2,510,000	7,550
202	1,690,000	8,370
568	6,000,000	10,600
173	2,670,000	15,400
87	1,680,000	19,600
24	580,000	24,100
15	420,000	28,000
6	200,000	33,400
8	310,000	38,800
6	250,000	41,600
15	960,000	64,000

These figures should be treated with considerable reserve. They show a surprisingly egalitarian distribution of property;or rather of income among the tax payers. Loftus himself, comments on this in his publication. There appears to be no millionaires, at any rate, no millionaires in immovable property. Several explanations of this suggest themselves. It may wll be that the brunt of income tax felleon the salaried classes, whose incomes were readily ascertainable, and that the big property owners escaped paying their fair share. Again, it may be that families in the lower income brackets owned property of less value than appears, whilst families in the top brackets owned more. Nevertheless, it may be permissible to make certain broad inference which will enable the results to be combined with those obtained for the rural population, and thus to give a rough general picture of the distribution of property. For example, it can be inferred that, out of 40,000 town dwelling families, 31,450 owned no immovable property at all; 7,718 owned property valued at between LP.1,000 and LP.10,000;.and the remaining 832 owned property valued at more than LP.10,000.

Combining the results for rural and urban populations gives the following table:

Value of property or amount of compensation	No of families

Value of property or amount of compensation	No of families
Less than LP.100 or nil	63,950
LP. 100 to LP. 1,000	75,760
LP. 1,000 to LP. 10,000	18,478
More than LP. 10,000	1,672
Total	159,860

In converting Palestine pounds to dollars, 1 Palestine pound should be reckoned as equal to 2,80 dollars.

In a sampling survey carried out by the Commission's Secretariat among refugee families in Jordan, it was found that thirty four per cent of 84,000 families claimed no immovable property. The first item in the foregoing table shows that forty per cent of the families involved owned either no immovable property at all, or property of less that LP. 100 in value. The two results are not incompatible and, to a certain extent, corroborate one another.

Government House
Jerusalem

23 July 1952

CONFIDENTIAL

Mr. Chairman,

In the fourth paragraph of your letter to me of 29 April 1952, which contained the instructions of the Commission relevant to my present mission in Palestine, you desired me to make periodic reports to the Commission in New York on the progress of my discussions. I have now been in Palestine a little longer than two months and, although during that period I have maintained close liaison with the Commission' secretariat in New York by sending each week a copy of my journal, it seems to me that the time has now come to make a more formal report.

My mission divides itself into two parts which may be summarised as follows :

a) discussions with the Israel authorities on the global evaluation of abandoned Arab property in territory under Israel jurisdiction and,

b) consideration of the question of the individual assessment of the Arab properties with particular reference to the opportune time for commencing the investigation.

Discussions with the Israel authorities on global evaluation.-

I arrived in Palestine on 14 May 1952 and on the following day I wrote to Dr. Walter Eytan, Director general of the Israel Ministry for Foreign Affairs, informing him of my arrival and of the purpose of my visit, and requesting that he would indicate a day and time when I might call to present my credentials and have a preliminary conversation. Dr. Eytan replied on 20 May 1952 suggesting that it would be best if I had the preliminary conversation with Mr. Comay (Deputy director general) in view of our previous contacts. He said that Mr. Comay would be getting in touch with me shortly.

In point of fact, Mr. Comay had already telephoned me suggesting an appointment for 22nd May. A long interview took place between us on that day which Mr. Comay said he preferred to regard as quite informal. He begun by asking for fuller information on the purpose of my visit, to which I replied by showing him my letter of instructions from you. I pointed out that my visit was in response to the suggestion of the Israel Delegation at the Paris Conference and that, whilst I was quite ready to give him my

ideas as to the form discussions should take, it would perhaps be more appropriate to let me know what his government had in mind. He said that in suggesting discussions on the question of compensation, his government had made a deliberate and intentional retreat from the position which they had hitherto maintained, that there could be no discussions of compensation, except as part of a general settlement. What his government had intended, he said, was overall discussions which would take into account Israel's capacity to pay and the other matters mentioned by Mr. Fischer in paragraph 3 of his statement to the Commission on 14 november 1951, and that for this reason the Israel Delegation had mentioned the PCC "or some other United Nations body", having in mind a body on which would be represented financial experts of the United Nations, the International Bank, etc, and possibly of the United States Government. He complained that since making their offer his government had not be approached by the United Nations. To this I answered that the approach was being made now and that whilst such overall discussions might come later, if they were started at present they would have to be adjourned almost immediately because one of the first questions which would be asked would be on the valu of the property for which compensation was to be paid. Mr. Comay did not altogether agre with this and suggested that the amount Israel would pay would bear very little relation to the value of the property but would be related more intimately to other factors, such as her ability to pay without impairing her economy, the losses which she had sustained a result of the war waged upon her by the Arab States, and the amount which she might ob ain on loan for the express prupose of compensation. He said that on no account would Israel go to the United Nations or the United States Government saying "We owe such and such an amount and ask your help to enable us to pay".

Mr. Comay thought that it would be psychologically unwise and that his government would not be prepared to go on record at present as agreeing to any particula amount as being the value of the property. I told him that the Commission had decided that Israel should not be asked to commit herself to accepting the findings of any group of experts which might be set up and had even determined on the expression "group of

experts" rather than "committee" as having a less formal and official significance. This seemed to reassure Mr. Comay considerably. I explained to him my idea of associating an Arab or Arabs with undoubted technical qualifications in the discussions and we discussed this at length and he seemed to regard the idea favourably.

Finally, he said that, provided Israel was not asked to commit herself to accept the findings of any such group as might be set up, he thought that his government would be prepared to designate Israeli experts to join such a group and to enter into discussions basing themselves on the Refugees Office's report.

He promised to consult his colleagues and if they agreed, to write to me accepting my proposals, with or without modification.

I replied that I thought such a decision would be a wise one as it would help to put an end to suggestions that Israel's offer to discuss compensation was made only for propaganda purposes.

On 27th May, I wrote to Mr. Comay a letter which I intended to act as a reminder that I was expecting to hear from him. I said that on thinking over our talk of 22nd of May, it seemed to me that I had spent a great deal of time explaining the Commission's interpretation of Israel's suggestion for discussions but that it now seemed to me that more time might have been profitably spent in exploring the Israel Delegation's exact intentions. I said that I felt sure that the Commission would like to know exactly what the Israel government had in mind and I asked Mr. Comay to explain at greater length his mention of a body on which would sit financial experts of the United Nations, the International Bank, or the member states of the Commission, with particular reference to the composition, powers, and terms of reference of the body which he had in mind. I suggested that these matters might be discussed at our next meeting.

On 18 June, I telephoned Mr. Comay and asked him when I might expect to hear from him concerning the matters we discussed on 22 May. He apologised for the delay and said that he had drafted a letter to me but that it had to be cleared by higher authority before it was sent. He thought I might expect to receive it about the middle of the

following week.

On 26 June, I received from Mr. Comay two letters date 23 June, one of which was marked "personal". In this letter, Mr. Comay said :

> "You will recall that, in discussing evaluation in the context of the compensation issue, I drew attention to other relevant factors, including (in the words of our Delegations's statement which I quoted from the PCC's Progress Report) the capacity of the State of Israel to meet this charge mainly resulting from the Arab war, without harming its economic stability. I was not authorised to make any proposals on this financial aspect and I am sorry if there was any misunderstanding on this score".

In the other letter, Mr. Comay said that on 22nd May he had pointed out to me that the question of evaluation had to be discussed as an integral part of discussions on compensation, although it might be taken up first in such discussions and he referred to the relevant passages from Mr. Fischers's statement to the Commission set out on page 18 of its Progress Report of November 1951. He went on to say "you suggested that your evaluation report should nevertheless be discussed with an Israel expert on a technical level, without committing the Israel Government in any way". In conclusion he said that they had not seen a copy of the report and would like to have one and that after examining it they would be in a better position to consider my suggestion on its merits.

In my reply, which was dated 1st July, I was at pains to make it clear, without stating it too obviously, that the Commission was taking up a proposal made by the Israel Government and not making a proposal to the Government. I said that I agreed that the question of evaluation must be considered as an integral part of discussions on compensation, since it would obviously be futile to discuss and even to agree upon the value of the property and to leave the matter there, but that nevertheless I thought it would be equally futile to attempt to discuss compensation without first establishing the nature and value of the property for which it was to be paid. I then quoted from Mr. Fischer's statement of 14 November 1951 when he said :

> "The Israel Delegation considers it indispensable that in such discussions the evaluation of abandoned Arab lands should be taken up first".

and I pointed out that of the other factors which Mr. Fischer said would have to be borne in mind only the first might conceivably have some bearings on the question of

evaluation. As requested by Mr. Comay, I forwarded a copy of the part of the Refugee Office's Report which dealt with the evaluation of abandoned Arab immovable property. In conclusion I said that there were one or two matters which I would like to discuss with Mr. Comay and asked him to let me know when it would be convenient to see me.

On 7th July, I again wrote to Mr. Comay a short letter explaining a passage of my previous letter which might have been obscure. This was again intended to act as a reminder.

On 15th July, I received Mr. Comay's reply dated 14th July. He thanked me for the copy of the Refugee Office's report and said that as soon as they had had a chance to examine it and to obtain some expert advice on it, he would get into touch with me again about the technical disucssions which I had suggested. He went on to say :

> "I doubt whether it is of practical importance for the moment to analyse the comments of our Delegation on the Paris Conference of the PPC in november 1951, but for the record I should point out that in the sentence on page 15 of the Progress report which reads, 'the Israel Delegation considers it indispensable that in such disucssions the evaluation of abandoned Arab lands should be taken up first' the words 'in such discussions' refer to disucssions on compensation and the statement does not therefore mean that evaluation should be dealt with in advance of discussions on compensation.
>
> "I would agree with the statement in your letter of 1st July, as explainded in your letter of 7th July, that some of the factors mentionned by Mr. Fischer are strictly speaking relevant to the question of evaluation, although all of them are very relevant to the question of compensation in which evaluation is only one factor".

Finally, in reply to my request, for a meeting, Mr.Comay suggested 28th July which he afterwards altered by telephone to 4th August, on the grounds that he was obliged to take part in army manoeuvres.

My impression from the foregoing is that the Israel authorities are deliberately employing delaying tactics. If they really wanted to have discussions on the matter of evaluation, or on the broader aspect of compensation, the negotiations could have proceeded much more rapidly than they have. I have an idea, which is only a surmise, that they are anxious that the matter of compensation for abandoned Arab property should not be broached whilst the reparations talks between themselves and the West German Government are proceeding. It seems to me significant that in the Israel press there has not appeared a single suggestion that the two matters are in any way connected, nor in

fact has there been any reference to compensation for abandoned property at all. This in spite of the fact that there is a very definite connection by reason of the fact that the sum claimed from West Germany was calculated on the coast of absorbing European victims of Nazi persecution and that a substantial number of those victims, as well as other Jewish immigrants, have been accommodated in, and derive their subtenance from, abandoned Arab property. This connection is obvious not only to Arab eyes, and I feel sure there would have been some reference in the press but for censorship.

It might strengthen my hand in future negotiations with the Israel authorities if I could give them a formal assurance on behalf of the Commission that discussions on the question of valuation would be regarded by the Commission as part of general discussions on the question of compensation.

Individual assessment of abandoned property in Israel.-

In the long intervals between my communications with the Israel authorities I have been giving earnest consideration to this question and have obtained the opinions of many responsible persons. Among those consulted were the diplomatic representatives of the member states of the Commission and of Great Britain, the Chief of Staff of the United Nations Truce Supervision Organisation, the Director of the United Nations Works and Relief Agency, and the members of the Agency's Advisory Commission, the General Secretary of the Representatives of the Palestine Refugee Committees in Lebanon, the Secretary of the Ramallah Refugee Congress and numerous ministers, ex-ministers, senators, members of Parliament and officials of the Jordan Government, and ex-officials of the former Mandatory Government of Palestine. It would be tto tedious to give a chronogical account of these conversations and therefore I propose, in the following paragraphs to give briefly the opinions of the more important persons consulted and my own conclusions therefrom.

Lt.General W.E.Riley, Chief of Staff of the United Nations Truce Supervision Organisation.-

General Riley was convinced that the only approach to the refugee problem which had any chance of success was one which left out the Arab governments. He thought that

the governments in question were quite indifferent whether the refugees lived or died. For this reason he was wholly in favour of the negotiations with the Israel Government which I am now undertaking. He considered that the issue of a questionnaire to the refugees would be injudicious unless and util some definite commitment on the amount of compensation had been obtained from the Israel Government.

Mr. Robert Tyler, Consul General of the United States in Jerusalem.

Mr. Tyler was wholly in favour of an individual assessement and of the issue of a refugee questionnaire. He thought that whilst the danger of rousing false hopes among the refugees was real enough, the reputation of the United Nations stood so low at present that it could not be worsened and that the issue of the questionnaire might do some good as showing that the Conciliation Commission was still active and was doing what it could to reach a solution.

Mr. H.R.D.Monypenny, British Consul General in Jerusalem.

On the matter of the questionnaire, Mr. Monypenny said that he thought it would be a good thing but doubted whether the Arab governments would allow it to be carried out. He thought that pressure might be brought to bear on the refugees to cause them to boycott it but he considered that it should be tried and felt it would be an excellent thing if the refugees could withstand any political pressure of this kind. Mr. Monypenny also said that the issue of a questionnaire might be expected to have a good effect on the Israel authorities by showing them that the matter was taken seriously by the United Nations and would not be allowed to drop. He mentioned that he had recently heard Ahmad Bey Tuqan, senior Jordan member of the Mixed Armistice Commission, expressing himself strongly on the matter of individual payment and suggesting that an office should be set up to deal with individual assessment.

Mr. A.R.Walmsley, British Consul, who was present said that he had heard a great deal of criticism from Arabs of the Refugee Office's compensation figure of 100 million pounds sterling.

Mr. G.Furlonge, British Minister to Jordan.

Mr. Furlonge was in favour of the making of an individual assessment and

foresaw no objection by the Jordan Government but he preferred a method which would not involve issuing a questionnaire to the refugees, He thought that refugee cooperation in completing such a questionnaire could not be relied upon unless the governments of the host countries promulgated decrees requiring the refugees to complete it.

Mr. Peter Wakefield, Second Secretary British Legation, Amman.

Mr. Wakefield thought the task of making an individual assessment would become more difficult the longer it were delayed. He thought that the refugees were in favour of such an investigation and felt sure that the maximum of co-operation would be obtained from the Jordan Governement.

Mr. John B.Blandford, Director of the United Nations Relief and Works Agency.

Mr. Blandford said that UNWRA had always supported the principle of payment of compensation and more specifically of payment ot individuals. He saw no reason to change this policy. He thought that the payment of compensation would have a more beneficial effect if it were made to individuals rather than to governments or to UNWRA's reintegration fund. He said that there were prominent and influential Arabs, refugees in the technical sense of the word, who had large investiaments in Palestine and who expected to share greatly in compensation payments. It was these persons who were keeping alive the question of repatriation purely as a lever for eventually getting compensation. He thought that the earlier the individual assessment was started, the better it would be and whether the compensation went to persons on UNWRA's ration lists or not, it would have an excellent political effect on all the refugees. He mentioned conversations which he had had with the Israel Foreign Minister who had at first seemed to favour payment into a reintegration fund but afterwards changed his position when realising the political advantage of individual payments. He thought that it was now quite clear that there was no possibility of substantial repatriation and he wondered whether the PCC should now come out into the open and say so. Last year, UNWRA had concluded that such a statement would be injudicious but he wondered whether the position should not be reconsidered

He remembered that it is laid down in UNWRA's resolution that the Agency should maintain liaison with the PCC. The Agency had, however, always maintained that it should

not be mixed up in negotiations between the Arab states and Israel. They considered it wiser to keep the Agency away from such political aspects of the problem. In accordance with this attitude, he thought that UNWRA might decide to submit its report to the Second Committee of the General Assembly instead of the Ad Hoc Political Committee and he suggested that this might interest the PCC which might like to consult UNWRA on the proposal.

In a private conversation. Mr. Blandford said that UNWRA's progress report would be submitted shortly. He thought that the PCC would be interested in this and might wish to make comments on certain aspects of it when it submitted its own report.

In that case, he wondered whether any such comments might be discussed with him before they were actually made.

General Refet Bele, Chairman and Delegate of Turkey on the Advisory Commission

The General mentioned that last year UNWRA had decided that the time was not ripe for an individual assessment but that now he had changed his opinion and considered that the investigation should proceed, on the understanding that it could be carried out on the basis of available documentary material and without recourse to a questionnaire. He thought that it would be in the common interest of the PCC and of UNWRA that the investigation should proceed, and that if possible, it would be better to carry it out in New York rather than in Palestine. He was anxious that UNWRA should not mentionned in connection with the matter.

Mr. Oliver Myers, British Delegate on the Advisory Commission.

Mr. Myers thought that the individual assessment should proceed.

Mr. E.A.Locke, Jr. United States Delegate on the Advisory Commission.

Mr= Locke thought that the individual assessment should proceed even if it were only for the reason that it would add to UNWRA's and the PCC's knowledge of the Palestine problem.

Mr. R.Radius, Delegate of France on the Advisory Commission.

Mr. Radius said that he was in agreement with the other members of the Advi-

sory Commission with one reservation, which was that the investigation should be carried out with the maximum of discretion possible. He also favoured doing the work in New York.

Ahmad Bey Tuqan, senior Jordan member of the Mixed Armistice Commission.

Ahmad Bey said that he fully realised that repatriation was physically impossible. Therefore, he thought that the PCC was taking the right course in pursuing the question of compensation, and he was sure that if concrete offers were made, the majority of the refugees would accept, provided that the sums offered were anything like reasonable. He agreed that most Arab estimates of the amount of compensation were quite fantastic. He thought that the idea of a questionnaire was excellent in itself but agreed that there might be something in the suggestion that it might be partially boycotted as a result of political pressure. He thought that the way for such a questionnaire should be paved by a press and radio campaign and that the moment for this campaign should be carefully chosen.

Khulusi Bey Kheiry, Minister for Health and Social Services in the Jordanian Cabinet. (Khulusi Bey was the Delegate of Jordan at the PCC's Paris Conference of 1951).

Khulusi Bey gave me his views in a personal and not an official capacity. He said that the attitude of the Arab governments in regard to the compensation question w s that the refugees should choose for themselves and that any investigation which was welcomed by the refugees, would not be opposed by the governments. He thought that an investigation of the kink I had suggested (individual assessment) would be generally welcomed. He pointed out that even if compensation were not paid and if the present governments of Palestine were to undergo a radical change, a record of the property of each refugee and its value would be a most valuable document to any government, or governments, which might succeed the present ones.

Dr. Izzat Tannous, General Secretary of the Representatives of the Palestine Refugee Committees in Lebanon. (Dr. Tannous was heard on behalf of the refugee by the General Assembly in 1951).

In Dr. Tannous's opinion, there was great dissatisfaction among the refugees with the global assessment of 100 million pounds sterling arrived at by the Refugee Office. He thought that the refugees would never be satisfied that the matter of compen-

sation was being taken seriously until an assessment was made on an individual basis.

He said that in all their public pronouncements the refugee organisations would insist upon their right to repatriation and it would be inconsistent with this attitude for them to ask for compensation or to ask the PCC to assess the amount of compensation. Nevertheless, if the PCC undertook the individual assessment on its own initiative, all the refugees would be glad; he felt that the investigation should be proceeded with as a purely technical matter without any political implication. He regarded it as important that the refugees should be associated with the assessment by means of a system of ~~xxxxxx~~ regional committees.

Privately, Dr. Tannous urged me to persuade the Commission to undertake the task and said that in doing so I would have a unique opportunity to help a million people.

Mr. Aziz Shihadeh, Secretary General of the Ramallah Refugee Congress.
(Mr. Shihadeh was accompanied by several of the representatives of the Congress and the views attributed to him are those of the meeting in general).

Mr. Shihadeh said that the refugees were dissatisfied with the Refugee's Office assessment of 100 million pounds and in particular with the method by which it had been arrived at. They would not be content until an individual assessment had been made. Mr. Shihadeh thought that the investigation should be made by means of a questionnaire. The first approach should, ~~xxx~~ he thought, be to the Arab governments which should be asked to issue decrees requiring the refugees in their territory to make returns of their property in Israel. A direct appeal from the United Nations to the refugees would, he thought, be ignored by a considerable proportion, but no refugee could ignore a government decree. He thought that the governments would cooperate in this way if the United Nations approached them in the right way, but one of his colleagues dissented from this last view.

As regards the conduct of the investigation, Mr. Shihadeh thought that the governments should not be asked to take part in it but that it should be handled by a United Nations organisation advised by a refugee committee in each country. Mr. Shihadeh thought that there was no danger of such an investigation arousing false hopes among

the refugees. According to him, compensation was only one of the aspects of the question in which the refugees were interested, and not the primary one. On the other hand, the apparent inactivity of the PCC gave rise to a feeling that there was a compiracy to forget about the refugees.To see the PCC actively doing something would have a placating effect.

Said Bey Ed Din, Member of the Jordan Senate and former Cabinet Minister.

Said Bey said that he was convinced that the payment of compensation was the only practical approach to the refugee problem and that nothing would be achieved in the field of reintegration unless and until this was dealt with. He agreed that repatriation was now physically impossible.

Moussa Bey Nasir, member of the Jordan Senate and former Cabinet Minister.

Moussa Bey sais that he foresaw no prospect of compensation ever being paid and that consequently an individual assessment would be a pure waste of time. In his opinion, the only solution to the Palestine problem was "a second round".

Raja Bey Rais, millionaire landowner of Haifa.

Raja Bey considered that an individual assessment was premature. He thought that the PCC should first obtain the money to pay compensation or guarantees that it would be paid and that it might then ask the refugees to opt between repatriation and compensation. If the individual assessment were limited to those who actually opted for compensation, the technical work involved would be very much reduced.

Izzat Atawneh, eldest son of the Sheikh of the Atawneh tribe and Custodian of Enemy property in Jordan.

Sheihk Izzat considered that compensation was the only practical approach to the refugee problem. He thought that an individual assessment should be undertaken and he was sure that if compensation were once paid to a few refugees, ninety per cent of the remainder would fall into line although they might previously have refused to have anything to do with it. In his opinion, the only opposition to the project would come from those who, never having had any property, would get no compensation and were now enjoying in refugee camps a better standard of living that that to which they were accustomed.

Owing to the illness, and regretted death of the Consul General, M. René Neuville, I was unable to consult the representative of France in Jerusalem. No consultation has taken place with the Turkish Consul General although I called at the Consulate shortly after my arrival here and asked for an appointment.

As a result of these conversations I am convinced that an individual assessment would be generally welcomed by the refugees and would not be opposed by the Arab Governments. Neither the governments nor the refugees, however, are likely to ask for such an investigation as this would be inconsistent with their political principle of demanding implementation of the United Nations Resolution. UNWRA would also welcome the investigation as it feels that the uncompromising demand for repatriation is kept alive by property owners as a lever to enforce the payment of compensation, and that in consequence no progress is likely to be made with reintegration projects whilst no progress is made in the matter of compensation.

The questionnaire method of approach to the individual assessment problem would probably be unsuccessful unless the governments would issue decrees requiring the refugees to complete the forms. A request from the PCC to the governments to issue such decrees might raise political issues and would stand a good chance of being refused. Therefore, it is necessary that another approach should be found. After consultation with Mr. Sami Hadawi, the Director of the Department of Land Taxation in the Jordan Government, I have come to the conclusion that such an alternative approach is possible. A reasonably accurate assessment could be made on the basis of the micorphotographs of the Palestine Land Registers supplemented by the Tax Distribution Lists of the Mandatory Government which are now in the hands of the Israel Authorities. At my next meeting with Mr. Comay, I propose to ask him whether his government would be willing to make these latter available to the PPC for the purpose of the investigation.

This method of working would have the advantage that in its early stages it could be carried out much more discreetly and with a much smaller staff than the questionnaire method. This question of discretion is likely to cause some difficulty. The organisation

which I have consulted are insistent that the refugees should be associated with the work of assessment through a system of central and regional committees. Personnally, I would much prefer that the whole of the work should be in the hands of a team of carefully selected experts, chosen from among ex-officials of the Mandatory Government, who would be in United Nations employment, and who, by reason of their training, would treat the matter objectively. It might however be advisable to make at least a show of consulting refugee committees and in some cases their advice might be found useful. Their function should, however, be purely consultative and advisory.

I do not think that the suggestion that the work should be carried out in New York is practicable. It x could be done only by persons who were familiar with the methods and records of the Mandatory Government and the difficulties of establishing such a staff in New York would be enourmous, not to mention the expense. Moreover, the refugees would have no confidence in an assessment made in New York. I envisage commencing with a staff of five to six persons which would ultimately be increased to twenty to twenty five persons. I think that the preliminary assessment could be made in a period of from six month to a year.

Once the preliminary assessment were made, the next step, which would involve considerable publicity, could be deferred until such time as the funds for paying compensation were available. This would consist of publishing lists of the lots ans parcels in each town and village with the privisional assessment against each and inviting interested parties to state their claims and their objections, if any, to the assessment. In the case of objections, the interested parties might then be asked to complete questionnaire. In appropriate cases, the assessment could be revised in the light of the replies.

The publication of the lists need not, and in fact should not, be done all at once. At this stage, the co-operation of UNWRA and of the Arab governments would have to be invoked for the purpose of posting up the lists in the refugee camps and in public places in the towns such as government and municipal offices, etc. Notices of the posting of the lists would have to be announced in the press and over the radio.

It is certain that the aggregate of the individual assessments would exceed the amount of the Refugee's Office global evaluation. It would be tedious to go lengthily into the technical reasons for this. They are concerned with the facts that whilst the global evaluation was made on an "existing use" basis throughout, the adoption of such a basis would hardly be practicable in the case of an individual assessment. This would affect particularly land on the fringes of towns but outside the urban areas. If the total compensation were limited to a fixed amount based on the global evaluation, it would therefore be necessary to work out a scheme of payments whereby the full valuation would be paid up to a certain sum on each holding, but above that sum a proportion only would be paid.

I have the honour to be,

Mr. Chairman,

Your obedient servant

J.M. Berncastle

To the Chairman of the United Nations
Conciliation Commission for Palestine
Headquarters, New York

E

EASTERN DEPARTMENT

PALESTINE

E E 1821 0/38

1952

FROM
E.A. Chapman Andrews
(Beirut)
6 confidential
No. 209 - 1491/38/52
Dated 3 Oct.
Received in Registry— 8 OCT 1952

Reaction of the Lebanese Govt towards the German / Israel Compensation Agreement - a suggestion that representations should be made to the Israel Govt to make over part of the compensation received to the Arab refugees

FO tel No. 762 of 10 Sept - CE W/1492/66, refers

Last Paper

References
EL1015/66
EE1821 0/2
EE1821 0/8
EE1821 0/9

(Print)

(How disposed of)

(Minutes)

The Lebanese reaction is much the same as that of other Arab Governments.

Though it is hardly for this Department to suggest it I venture the view that the steps suggested in para 6 of Mr Chapman Andrews letter not only would prove quite fruitless, but would embroil us even further in a matter which is not, after all, our direct concern and which has already resulted in some odium for us. If the Germans are as solicitous for the ~~act~~ welfare of Arab refugees as their recent press communiqué from Karachi suggests, it is rather for them to make this suggestion to Israel. I am quite sure

(Action completed) 11/11

(Index) 25/11

Next Paper

quite sure, however, that they will not, and if they will not, it ~~[illegible]~~ would seem unwise if we were to do so.

R S Swan
9/10.

I certainly hope that we will not proceed as suggested in para 6. However this is a matter for Eastern Dept, who may care to take this paper over, as it goes well beyond German Germany Dept. field.

The Germans are making a donation to the UN Fund for Arab refugees (see CE(W) 14927, 85).

Eastern Dept.

EW Oct 9

I certainly think this shd. be E, and have obtained Mr Swann's approval.

Re para. 6.

~~[illegible]~~ 24/10.

We said we "would feel entitled" to exercise moral suasion. This is certainly not the moment to do so, if we ever do. Such action on our part would be interpreted by the Arabs as conclusive evidence that we acknowledged responsibility and guilt with regard to the refugees.

Draft letter submitted.

Now see –/39. Draft suspended. H. M. Sulzer 16/10

B.W. 1st November ~~[illegible]~~ 16/10. HMS 18/11

NOTHING TO BE WRITTEN ON THIS PAGE

CONFIDENTIAL

209

(1491/38/52)

BRITISH LEGATION

BEIRUT.

3rd October, 1952.

Sir,

I have the honour to report that, as instructed in your telegram No. 762 of the 10th of September, I raised the question of German reparations to the Jews with the President of the Lebanese Republic at my first private audience with him on the 29th September 1952. Owing to the political confusion and the absence of an effective Lebanese Government, I had not been able to do so earlier.

2. The President listened intently to what I had to say. When he said that he would have expected Britain and the United States to have put pressure on Germany to pay part at least of this money to those Arab refugees from Palestine who had been displaced by Jewish refugees from Germany, I suggested that it was illogical and impracticable to link the agreement between Germany and Israel with the Palestine issue or with the question of reparations from Israel to the Arab states.

3. His Excellency was not prepared to accept this argument and indeed it was the only occasion during our discussion on which he expressed himself with some emotion. He said that in his view it was not a question of logic but of outraged human dignity and of common justice. He accepted the point about the moral need for the Germans to make a gesture of atonement but for him the moral need

/for

The Right Honourable
Anthony Eden, M.C., M.P.,
etc., etc., etc.,
Foreign Office,
LONDON, S.W.1.

for the West to ensure justice for the Arab refugees was equally clear. He still hoped that some of the money which the Germans had promised to pay Israel would be diverted from Israel to the Arab refugees; the President asked me to convey his views to you.

4. He went on to say that he greatly hoped that Her Majesty's Government would exert all possible influence upon the other Western Powers to secure an early settlement of the refugee problem which was the greatest impediment to the restoration of sensible relations between the Arab States and the West. Money in huge quantities, for compensation, was the key to the problem. I did not comment on this suggestion.

5. As was already clear from the President's inaugural address, reported in my despatch No.199, the problems of Arab solidarity and of Palestine are uppermost in his mind in the field of foreign policy. I imagine that he will continue to feel strongly on the question.

EL.1015/66

6. I do not know whether you still have it in mind as suggested in paragraph 8 of your despatch No. 31 of the 22nd March to Damascus to make representations at any stage to the Israel Government to the end that they should make over part of the compensation received from Germany to the Arab refugees. With great respect I submit that

EE 1821 0/8

/this

this suggestion calls for urgent and sympathetic consideration.

I have the honour to be,
with the highest respect,
Sir,
Your obedient Servant,

E A Chapman Andrews

E.A CHAPMAN ANDREWS.

Registry
No.

~~Top Secret.~~
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Open.

Draft. Letter to
Mr Chapman-Andrews
from
Mr Ross.

H.H.S. Nielsen
15/10.

NOTHING TO BE WRITTEN IN THIS MARGIN.

Wt. 11647/234 250m 7/51 V.P.Co. 51-8078

Suspend

In your despatch No. 209 of the 3rd Oct. you raise the question in para. 6. whether we have it in mind to make representations to the Israelis to hand to the Arabs for the benefit of the refugees some of their compensation they have obtained from Germany. While our despatch No. 31 took the matter into consideration it did no more than say that H.M.G. would "feel entitled to exercise" so much pressure. The point when such action could be taken has not yet been reached, if indeed circumstances will ever permit of it, since Israel has not yet obtained anything, and the effect of opposition to the agreement both in Germany and Israel may still have awkward results. It is also quite on the cards that such pressure on the Israelis, while irritating and alienating them beyond measure, would merely be taken by the Arab States as further evidence of self-acknowledged guilt on our part with regard to the refugees. We cannot therefore accept the Arab

case as presented to you, and ~~is~~ have ~~is~~ also ~~for a~~ stated that the two matters are distinct and should not be coupled together.

~~I am sending~~

NOTHING TO BE WRITTEN IN THIS MARGIN.

1952

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EASTERN DEPARTMENT

PALESTINE

E E18210/39

FROM
Mr. J. N. Furlonge
Amman
to Mr. Ross.

No. 18203/34

Dated 4. 10. 52

Received in Registry— 15. 10. 52.

German-Jewish Compensation Agreement.
Reports U. S. colleague has heard State Department are expressing hope to Israel Government that latter will give serious consideration to Arab Refugee compensation question now the Agreement has been signed.

References

EE 18210/5	EE 18210/19
6	24
7	25
11	27
13	29
14	30
15	31
17	32
	34
	36

(Print)

(How disposed of)

Fed. Mr Barley W'ton
from Mr Wardrop.
20 Oct

(Action completed) 8/11

(Index) 25/11

MINUTES

See also -/38, where Mr Chapman Andrews likewise raises the question of "moral suasion".

We must bear in mind the misgivings expressed by Sir F Evans in his letter of 25th April (at EE 18210/19). In any case the time is probably not ripe for moral suasion. It would be interesting, however, to know whether the Americans have in fact spoken to the Israelis and, if so, what happened.

Draft letter to Washington.

16/10.

42863

18203/34

British Embassy,

AMMAN.

4th October, 1952.

EE 18210/39

CE(W) 14927/80

Dear Archie,

With reference to my telegram No.24 SAVING of September 17th and other correspondence regarding the German-Jewish Compensation Agreement, my United States colleague informs me that he has heard from the State Department that the latter are expressing to the Israel Government the hope that, now that this agreement has been signed, the Israel Government will address themselves seriously to the question of compensation for the Arab refugees which they have already admitted in principle.

2. I had already been wondering whether, in the light of paragraph 4 of your letter EE 18210/13 of April 29th to Chapman-Andrews, the time for exercising "moral suasion" on the Israelis in the matter was considered yet to have arrived.

3. I am sending copies of this letter to Her Majesty's Representatives at Bagdad, Beirut, Cairo, Damascus, Jedda, Tel Aviv, B.M.E.O.(Fayid), Washington, Paris, UKDEL (New York) and Wahnerheide.

Yours ever,

Geoffrey Furlonge

(G.W.Furlonge)

A.D.M.Ross,Esq.,
Eastern Department,
Foreign Office, S.W.1.

RECEIVED
1952
15 Oct 1952

Registry
No. EE 18210/39

~~Top Secret.~~
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Confidential.
~~Restricted.~~
~~Open.~~

Draft. Mr Bailey
~~Chancery~~
Washington

from
T C Wardrop

NOTHING TO BE WRITTEN IN THIS MARGIN.

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OUTFILE

Confidential.

We were interested to see from Furlonge's letter of 4th October (copied to you) that, according to ~~the~~ his American colleague, the State Department were expressing to the Israel Government the hope that, now that the German-Israel compensation agreement had been signed, the Israelis would address themselves seriously to the ~~task~~ question of compensation for Arab refugees.

2. We should like to hear more of this and should be grateful if you could ascertain and let us know whether the Americans have in fact taken any such action and, if so, with what result.

[illegible] 16/10.

(EE 18210/39) FOREIGN OFFICE, S.W.1.

CONFIDENTIAL 20th October, 1952.

We were interested to see from Furlonge's letter of the 4th October (copied to you) that, according to his American colleague, the State Department were expressing to the Israel Government the hope that, now that the German-Israel compensation agreement had been signed, the Israelis would address themselves seriously to the question of compensation for Arab refugees.

2. We should like to hear more of this and should be grateful if you could ascertain and let us know whether the Americans have in fact taken any such action and, if so, with what result.

(J.C. Wardrop)

R.W. Bailey, Esq.,
Washington.

1952

E

EASTERN DEPARTMENT

PALESTINE

E E18210/40

FROM

Mr Bailey
Washington
To Mr Wardrop.

No. 1483/82/52.

Dated 28.10.52.

Received in Registry— 3.11.52

Compensation

The State Dept have told the Israel Ambassador that they think that compensation is the key to allaying the unrest in the Middle East

References

-/39.

MINUTES

Draft letter submitted to cover Amman's and Beirut's enquiries.

H. N. Pulcar
5/11

Revised draft to Mr. Furlonge
many issue.

[illegible]
7/XI

(Print)

(How disposed of)

Dfy Mr Furlonge, Amman
from Mr Ross. 8 Nov.

Copy Bagdad, Beirut
Cairo, Damascus
Jeddah, Tel Aviv
Fayid, Paris
W.R.M., OKDel, N. York
8 Nov.

(Action completed) [illegible] 8/11

(Index) [illegible] 20/11

42863

DS

Mr Parker
E.D.E

AIR BAG
CONFIDENTIAL
1483/82/52

BRITISH EMBASSY,
WASHINGTON, D.C.
28th October 1952.

10C. pse

EE 18210/40

Dear Wardrop,

In your letter EE 18210/39 of 20th October you asked whether the Americans have spoken to the Israelis about the question of compensation for the Arab refugees, and if so, with what result.

2. The State Department tell us that when the Israel Ambassador here called on the Under-Secretary of State and then on Assistant Secretary Byroade on September 22nd before leaving for Tel Aviv, they both spoke to him on the following lines:

A That compensation to the Arab refugees seemed to them to be the key to the situation in allaying unrest in the Middle East. At present many of the Arabs still hoped to return to their homes in Palestine but there was a growing realisation that this was not practicable. The payment of compensation would go far to encouraging the Arabs to accept this position. The Israel Ambassador replied that it seemed to him that there were three stages -

(a) calculating the size of the debt, (Bencastle was already engaged in this in New York. Some time ago Bencastle gave a rough guess that the figure might be of the order of £100,000,000), and also of the Israeli counter-claim;

(b) considering the sources of financing this payment (over which German reparations would help) and

(c) how to effect payment.

3. The State Department said they were struck by reference to the Israel counter-claim which the Israelis might see fit to make almost as large as the Arab claims if they were to include items such as losses caused by the Suez Canal blockade, for instance. But they felt confident they could see to it in fact that this was scaled down to reasonable proportions.

B

Yours ever
Roland Bailey

R. W. Bailey.

J.C.Wardrop Esq.,
Eastern Department,
Foreign Office,
London, S.W.1.

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+10c. see below also

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OUTFILE

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No. EE 18210/40.

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Draft.

Mr Furlonge
Amman

from
Mr Ross

Copies to:
Sir J Troutbeck
Bagdad
Mr Chapman Andrews
Beirut
Sir R Stevenson
Cairo
Mr M. Pollock
Damascus
Mr Pelham
Jedda
Sir F Evans
Tel Aviv
Sir T Rapp
BMEO Fayid
Sir A Rumbold Bt.
Paris
Mr Burrows
Washington
Mr Crosthwaite
UK Del
New York.

Encl. [not to Washington]: copy of Mr Bailey's letter of 28/10

NOTHING TO BE WRITTEN IN THIS MARGIN.

RECEIVED IN DIVIS
- 8 NOV 1952
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Confidential.

In your letter 18203/34 of 4th October you reported your United States colleague as saying that the State Department were expressing to the Israel Government the hope that, in view of the signature of the German-Jewish Compensation Agreement, the Israel Government would address themselves to the question of compensation for the Arab refugees. You also asked whether we felt the time had now come for us to exercise moral suasion to that end on the Israelis. Chapman Andrews raised the same question in his despatch No 209 of 3rd October (not copied to you.)

2. On receipt of your letter we asked the Embassy at Washington to find out exactly what the State Department were doing; and I now enclose a copy of their reply. You will see that the

that the Americans did, in fact, ~~urge the Israelis to get a move on~~, though they did not apparently link it with the German-Israel Agreement. The Israel Ambassador at Washington, on the other hand, himself mentioned German reparations as a help towards financing payment.

Take this up with the Israelis

3. As regards moral question by ourselves, I must make it clear again, as I did in my letter to Chairman Anders of 29th April, that we never went beyond saying that we might "feel entitled" to exercise it. Moreover we have to take account of Evans's view (see his letter of 25th April) that to link German compensation to Jews with Israel compensation to Arabs would merely invite a dusty answer. We should certainly not wish to do anything calculated to ~~cause a set-back to any~~ impede proposals ~~that might be made~~ over compensation to the Arabs.

4. This is not to say that we dismiss the idea of pressing the Israelis to get a move on, but only that we doubt whether the time has come to do so or whether it would be wise to make too much of the German-

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Draft.

German-Israel Agreement in this connexion. For one thing it seems advisable to wait until the latter really gets into its stride (it still has to be ratified and you will doubtless have seen press reports of the Arabs' attempts to get the Germans to think again); and for another, the P.C.C. are at this moment engaged with the Israelis in the task of assessing the ~~size~~ amount due. The Israel counter-claim will undoubtedly present difficulties. On the other hand, while we should not wish to attach undue importance to it, the ~~Israel Ambassador's~~ reference to German reparations by the Israeli Amb^r at Wtn is perhaps not altogether without significance.

5. I am copying this letter to Trautbeck, [and the others listed in margin]

[illegible]
7/a,

NOTHING TO BE WRITTEN IN THIS MARGIN.

(365) Wt. 25886/149 100m. 1/48 A.O.St.

[redacted]18210/40)

FOREIGN OFFICE, S.W.1.

CONFIDENTIAL

OUTFILE

8th November, 1952.

In your letter 18203/34 of the 4th October you reported your United States colleague as saying that the State Department were expressing to the Israel Government the hope that, in view of the signature of the German - Jewish Compensation Agreement, the Israel Government would address themselves to the question of compensation for the Arab refugees. You also asked whether we felt the time had now come for us to exercise moral suasion to that end on the Israelis. Chapman-Andrews raised the same question in his despatch No.209 of the 3rd October (not copied to you).

2. On receipt of your letter we asked the Embassy at Washington to find out exactly what the State Department were doing; and I now enclose a copy of their reply. You will see that the Americans did, in fact, take this up with the Israelis, though they did not apparently link it with the German - Israel Agreement. The Israeli Ambassador at Washington, on the other hand, himself mentioned German reparations as a help towards financing payment.

3. As regards moral suasion by ourselves, I must make it clear again, as I did in my letter to Chapman-Andrews of the 29th April, that we never went beyond saying that we might "feel entitled" to exercise it. Moreover we have to take account of Evan's view (see his letter of the 25th April) that to link German compensation to Jews with Israel compensation to Arabs would merely invite a dusty answer. We should certainly not wish to do anything calculated to impede progress over compensation to the Arabs.

4. This is not to say that we dismiss the idea of pressing the Israelis to get a move on, but only that we doubt whether the time has come to do so or whether it would be wise to make too much of the German-Israel Agreement in this connexion. For one thing it seems advisable to wait until the latter really gets into its stride (it still has to be ratified and you will doubtless have seen press reports of the Arab's attempts to get the Germans to think again); and for another, the Palestine Conciliation Commission are at this moment engaged with the Israelis in the task of assessing the amount due. The Israel counter-claim will undoubtedly present difficulties. On the other hand, while we should not wish to attach undue importance to it, the reference to German reparations by the Israeli Ambassador at Washington is perhaps not altogether without significance.

5. I am copying this letter to Troutbeck Bagdad, Chapman-Andrews Beirut, Stevenson Cairo, Pollock Damascus, Pelham Jedda, Evans Tel Aviv, Rapp British Middle East Office, Fayid, Rumbold Paris, Burrows Washington, and Crosthwaite United Kingdom Delegation, New York.

(A.D.M. ROSS)

G.W. Furlonge, Esq., C.M.G., O.B.E.,
Amman.

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Draft. letter to Mr Furlonge from Mr Ross.

H. A. Sullivan 5/11

Suspend

In your letter 18203/34 of the 4th Oct. you asked if we thought the time had now come to exercise "moral suasion" on the Israelis with regard to paying compensation for the Arab refugees because the German-Israel Compensation Agreement had been signed. Beirut ~~sen~~ made a similar enquiry in their despatch No. 209/ of Oct. 3rd, ~~and~~ so we decided to ask Washington to find out if the Americans had spoken to the Israelis on this subject. Their reply is as follows: [from "A" to "B" of Washington's letter of 28th Oct.].

You will notice that although the subject of compensation was broached, and as a member of the P.C.C. the

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U.S. could easily breach it, no mention of or link with Israel Agreement.

You have probably seen the various newspaper reports of the pressure which is being exerted on Germany by the Arab States to cancel or review the Agreement, and it is ~~possible~~ still not certain that the terms of the Agreement may not be modified. But even apart from the fact that the Israelis have as yet received the Agreement, and are also in some domestic difficulties over immigrants, it does not seem to us wise to link the compensation ~~paid~~ to be paid to Israel ~~as~~ with the compensation we hope they will pay to the Arabs. In this connexion I would refer you to Evans' ~~despatch~~ No. letter 10314/31/52 of the 25th April, the conclusions of which seem to us valid to-day and for some time to come.

The P.C.C. and the U.S. are in a

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[7/19]

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good position to keep harmony at the Israelis as that has already been conceded in principle. But I think it would be a false move if they were to link the two compensations, even if the Israelis may realise in their own minds that they are being so linked.

We do not therefore at the moment feel that we should accede to the desires of the Arab States in this respect.

I am copying this letter to the recipients of yours.

(14487) 2/52 D.L.

Compensation for Arab refugees: claims against Israel; report on the Palestine Conciliation Commission contained in its Eleventh Progress Report to the UN Secretary-General; German reparations to Israel. Code EE file 18210 (papers 22 to end. 1952. MS Refugee Records from the General Correspondence Files of the Political Departments of the Foreign Office, Record Group 371, 1947-1970 FO 371/98519. The National Archives (Kew, United Kingdom).